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2<sup>D</sup> SESSION

**H. R. 3450**

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IN THE SENATE OF THE UNITED STATES

OCTOBER 2, 2002

Received; read twice and placed on the calendar

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**AN ACT**

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Health Care Safety Net Improvement Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for  
5 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—CONSOLIDATED HEALTH CENTER PROGRAM  
AMENDMENTS**

Sec. 101. Health centers.

Sec. 102. Migratory and seasonal agricultural workers.

**TITLE II—RURAL HEALTH**

Subtitle A—Rural Health Care Services Outreach, Rural Health Network Development, and Small Health Care Provider Quality Improvement Grant Programs

Sec. 201. Grant programs.

**Subtitle B—Telehealth Grant Consolidation**

Sec. 211. Short title.

Sec. 212. Consolidation and reauthorization of provisions.

Subtitle C—Mental Health Services Telehealth Program and Rural Emergency Medical Service Training and Equipment Assistance Program

Sec. 221. Programs.

**TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM**

Sec. 301. National Health Service Corps.

Sec. 302. Designation of health professional shortage areas.

Sec. 303. Assignment of Corps personnel.

Sec. 304. Priorities in assignment of Corps personnel.

Sec. 305. Cost-sharing.

Sec. 306. Eligibility for Federal funds.

Sec. 307. Facilitation of effective provision of Corps services.

Sec. 308. Authorization of appropriations.

Sec. 309. National Health Service Corps Scholarship Program.

Sec. 310. National Health Service Corps Loan Repayment Program.

Sec. 311. Obligated service.

Sec. 312. Private practice.

Sec. 313. Breach of scholarship contract or loan repayment contract.

Sec. 314. Authorization of appropriations.

Sec. 315. Grants to States for loan repayment programs.

Sec. 316. Demonstration grants to States for community scholarship programs.

**TITLE IV—ADDITIONAL PROVISIONS**

Sec. 401. Community access demonstration program.

Sec. 402. Expanding availability of dental services.

Sec. 403. Study regarding barriers to participation of farmworkers in health programs.

Sec. 404. Eligibility of certain entities for grants.

Sec. 405. Conforming amendments.

# 1 **TITLE I—CONSOLIDATED** 2 **HEALTH CENTER PROGRAM** 3 **AMENDMENTS**

## 4 **SEC. 101. HEALTH CENTERS.**

5 (a) INCREASE OF AUTHORIZATION OF APPROPRIA-  
6 TIONS FROM \$802,124,000 FOR FISCAL YEAR 1997 TO  
7 \$1,293,000,000 FOR FISCAL YEAR 2002.—Section  
8 330(l)(1) of the Public Health Service Act (42 U.S.C.  
9 254b(l(1))) is amended by striking “\$802,124,000” and  
10 all that follows and inserting “\$1,293,000,000 for fiscal  
11 year 2002, and such sums as may be necessary for each  
12 of the fiscal years 2003 through 2006.”.

13 (b) ADDITIONAL AMENDMENTS.—Section 330 of the  
14 Public Health Service Act (42 U.S.C. 254b) is amended—

15 (1) in subsection (b)(1)(A)—

16 (A) in clause (i)(III)(bb), by striking  
17 “screening for breast and cervical cancer” and  
18 inserting “appropriate cancer screening”;

19 (B) in clause (ii), by inserting “(including  
20 specialty referral when medically indicated)”  
21 after “medical services”; and

22 (C) in clause (iii), by inserting “housing,”  
23 after “social,”;

1 (2) in subsection (b)(2)—

2 (A) by redesignating subparagraphs (A)  
3 and (B) as subparagraphs (B) and (C), respec-  
4 tively; and

5 (B) by inserting before subparagraph (B)  
6 (as so redesignated) the following:

7 “(A) behavioral and mental health and  
8 substance abuse services;”;

9 (3) in subsection (c)(1)—

10 (A) in subparagraph (B)—

11 (i) in the heading, by striking “COM-  
12 PREHENSIVE SERVICE DELIVERY” and in-  
13 serting “MANAGED CARE”;

14 (ii) in the matter preceding clause (i),  
15 by striking “network or plan” and all that  
16 follows to the period and inserting “man-  
17 aged care network or plan.”; and

18 (iii) in the matter following clause (ii),  
19 by striking “Any such grant may include”  
20 and all that follows through the period;  
21 and

22 (B) by adding at the end the following:

23 “(C) PRACTICE MANAGEMENT NET-  
24 WORKS.—The Secretary may make grants to  
25 health centers that receive assistance under this

1 section to enable the centers to plan and de-  
2 velop practice management networks that will  
3 enable the centers to—

4 “(i) reduce costs associated with the  
5 provision of health care services;

6 “(ii) improve access to, and avail-  
7 ability of, health care services provided to  
8 individuals served by the centers;

9 “(iii) enhance the quality and coordi-  
10 nation of health care services; or

11 “(iv) improve the health status of  
12 communities.

13 “(D) USE OF FUNDS.—The activities for  
14 which a grant may be made under subpara-  
15 graph (B) or (C) may include the purchase or  
16 lease of equipment, which may include data and  
17 information systems (including paying for the  
18 costs of amortizing the principal of, and paying  
19 the interest on, loans for equipment), the provi-  
20 sion of training and technical assistance related  
21 to the provision of health care services on a pre-  
22 paid basis or under another managed care ar-  
23 rangement, and other activities that promote  
24 the development of practice management or  
25 managed care networks and plans.”;

1 (4) in subsection (d)—

2 (A) by striking the subsection heading and  
3 inserting “LOAN GUARANTEE PROGRAM.—”;

4 (B) in paragraph (1)—

5 (i) in subparagraph (A), by striking  
6 “the principal and interest on loans” and  
7 all that follows through the period and in-  
8 serting “the principal and interest on loans  
9 made by non-Federal lenders to health cen-  
10 ters, funded under this section, for the  
11 costs of developing and operating managed  
12 care networks or plans described in sub-  
13 section (c)(1)(B), or practice management  
14 networks described in subsection (c)(1)(C),  
15 and for the costs of acquiring or leasing  
16 buildings, or purchasing or leasing equip-  
17 ment.”;

18 (ii) in subparagraph (B)—

19 (I) in clause (i), by striking “or”;

20 (II) in clause (ii), by striking the  
21 period and inserting “; or”; and

22 (III) by adding at the end the  
23 following:

1 “(iii) to refinance a loan to the center  
2 or centers, if the Secretary determines  
3 that—

4 “(I) such refinancing will result  
5 in more favorable terms;

6 “(II) the savings resulting from  
7 the refinancing will be beneficial to  
8 both the center (or centers) and the  
9 Government; and

10 “(III) the center (or centers) can  
11 demonstrate an ability to repay the  
12 refinanced loan equal to or greater  
13 than the ability of the center (or cen-  
14 ters) to repay the original loan on the  
15 date the original loan was made.”;  
16 and

17 (iii) by adding at the end the fol-  
18 lowing:

19 “(D) PROVISION DIRECTLY TO NETWORKS  
20 OR PLANS.—At the request of health centers re-  
21 ceiving assistance under this section, loan guar-  
22 antees provided under this paragraph may be  
23 made directly to networks or plans that are at  
24 least majority controlled and, as applicable, at

1 least majority owned by those health centers.”;

2 and

3 (C)(i) by striking paragraphs (6) and (7);

4 and

5 (ii) by redesignating paragraph (8) as  
6 paragraph (6);

7 (5) in subsection (e)—

8 (A) in paragraph (1), by adding at the end  
9 the following:

10 “(C) OPERATION OF NETWORKS AND  
11 PLANS.—

12 “(i) IN GENERAL.—The Secretary  
13 may make grants to health centers that re-  
14 ceive assistance under this section, or at  
15 the request of the health centers, directly  
16 to a network or plan (as described in sub-  
17 paragraphs (B) and (C) of subsection  
18 (c)(1)) that is at least majority controlled  
19 and, as applicable, at least majority owned  
20 by such health centers receiving assistance  
21 under this section, for the costs associated  
22 with the operation of such network or plan,  
23 including the purchase or lease of equip-  
24 ment (including the costs of amortizing the



principal of, and paying the interest on,  
loans for equipment).

“(ii) CERTAIN REQUIREMENTS.—Sub-  
section (j) applies with respect to grants  
under clause (i) to the same extent and in  
the same manner as such subsection ap-  
plies with respect to grants under subpara-  
graph (A) or (B), except to the extent that  
as applied to clause (i) the Secretary  
waives any requirement under subsection  
(j) on the basis that the requirement is not  
necessary with respect to the purposes for  
which grants under clause (i) are made.”;  
and

(B) in paragraph (5)—

(i) in subparagraph (A), by inserting  
“subparagraphs (A) and (B) of” after  
“any fiscal year under”;

(ii) by redesignating subparagraphs  
(B) and (C) as subparagraphs (C) and  
(D), respectively; and

(iii) by inserting after subparagraph  
(A) the following:

“(B) NETWORKS AND PLANS.—The total  
amount of grant funds made available for any

1       fiscal year under paragraph (1)(C) and sub-  
2       paragraphs (B) and (C) of subsection (c)(1) to  
3       a health center shall be determined by the Sec-  
4       retary, but may not exceed 2 percent of the  
5       total amount appropriated under this section  
6       for such fiscal year.”;

7       (6) in subsection (h)—

8               (A) in paragraph (1), by striking “home-  
9       less children and children at risk of homeless-  
10      ness” and inserting “homeless children and  
11      youth and children and youth at risk of home-  
12      lessness”;

13             (B)(i) by redesignating paragraph (4) as  
14      paragraph (5); and

15             (ii) by inserting after paragraph (3) the  
16      following:

17             “(4) TEMPORARY CONTINUED PROVISION OF  
18      SERVICES TO CERTAIN FORMER HOMELESS INDIVID-  
19      UALS.—If any grantee under this subsection has  
20      provided services described in this section under the  
21      grant to a homeless individual, such grantee may,  
22      notwithstanding that the individual is no longer  
23      homeless as a result of becoming a resident in per-  
24      manent housing, expend the grant to continue to

1 provide such services to the individual for not more  
2 than 12 months.”; and

3 (C) in paragraph (5)(C) (as redesignated  
4 by subparagraph (B)), by striking “and residen-  
5 tial treatment” and inserting “, risk reduction,  
6 outpatient treatment, residential treatment, and  
7 rehabilitation”;

8 (7) in subsection (j)(3)—

9 (A) in subparagraph (E)—

10 (i) in clause (i)—

11 (I) by striking “(i)” and insert-  
12 ing “(i)(I)”;

13 (II) by striking “plan; or” and  
14 inserting “plan; and”; and

15 (III) by adding at the end the  
16 following:

17 “(II) has or will have a contrac-  
18 tual or other arrangement with the  
19 State agency administering the pro-  
20 gram under title XXI of such Act (42  
21 U.S.C. 1397aa et seq.) with respect to  
22 individuals who are State children’s  
23 health insurance program bene-  
24 ficiaries; or”; and

1 (ii) by striking clause (ii) and insert-  
2 ing the following:

3 “(ii) has made or will make every rea-  
4 sonable effort to enter into arrangements  
5 described in subclauses (I) and (II) of  
6 clause (i);”;

7 (B) in subparagraph (G)—

8 (i) in clause (ii)(II), by striking “;  
9 and” and inserting “;”;

10 (ii) by redesignating clause (iii) as  
11 clause (iv); and

12 (iii) by inserting after clause (ii) the  
13 following:

14 “(iii)(I) will assure that no patient  
15 will be denied health care services due to  
16 an individual’s inability to pay for such  
17 services; and

18 “(II) will assure that any fees or pay-  
19 ments required by the center for such serv-  
20 ices will be reduced or waived to enable the  
21 center to fulfill the assurance described in  
22 subclause (I); and”;

23 (C) in subparagraph (K)(ii), by striking  
24 “and” after the semicolon at the end;

1 (D) in subparagraph (L), by striking the  
2 period at the end and inserting “; and”; and

3 (E) by adding at the end the following sub-  
4 paragraph:

5 “(M) the center encourages persons receiv-  
6 ing or seeking health services from the center to  
7 participate in any public or private (including  
8 employer-offered) health programs or plans for  
9 which the persons are eligible.”;

10 (8) by striking subsection (k) and inserting the  
11 following:

12 “(k) TECHNICAL ASSISTANCE.—The Secretary shall  
13 establish a program through which the Secretary shall  
14 provide technical and other assistance to eligible entities  
15 to assist such entities to meet the requirements of para-  
16 graphs (2) and (3) of subsection (j) and in developing  
17 plans for, and operating health centers. Services provided  
18 through the program may include necessary technical and  
19 nonfinancial assistance, including fiscal and program man-  
20 agement assistance, training in program management,  
21 operational and administrative support, and the provision  
22 of information to the entities of the variety of resources  
23 available under this title and how those resources can be  
24 best used to meet the health needs of the communities  
25 served by the entities.”;

1           (9)(A) in subsection (l) (as amended by sub-  
2           section (a) of this section), by striking “(l) AUTHOR-  
3           IZATION”;

4           (B) by transferring such undesignated sub-  
5           section to the end of the section;

6           (C) by redesignating subsections (m) through  
7           (q) as subsections (l) through (p), respectively; and

8           (D) in the subsection transferred by subpara-  
9           graph (B), by inserting “(q) AUTHORIZATION” be-  
10          fore “OF APPROPRIATIONS.—”; and

11          (10) in subsection (q) (as transferred and re-  
12          designated by paragraph (9)), in paragraph (2)—

13               (A) in subparagraph (A), by striking  
14               “(j)(3)(G)(ii)” and inserting “(j)(3)(H)”; and

15               (B) by striking subparagraph (B) and in-  
16               serting the following:

17               “(B) DISTRIBUTION OF GRANTS.—For fis-  
18               cal year 2002 and each of the following fiscal  
19               years, the Secretary, in awarding grants under  
20               this section, shall ensure that the proportion of  
21               the amount made available under each of sub-  
22               sections (g), (h), and (i), relative to the total  
23               amount appropriated to carry out this section  
24               for that fiscal year, is equal to the proportion  
25               of the amount made available under that sub-

1 section for fiscal year 2001, relative to the total  
2 amount appropriated to carry out this section  
3 for fiscal year 2001.”.

4 (c) **TELEMEDICINE; INCENTIVE GRANTS REGARDING**  
5 **COORDINATION AMONG STATES.—**

6 (1) **IN GENERAL.—**The Secretary of Health and  
7 Human Services may make grants to State profes-  
8 sional licensing boards to carry out programs under  
9 which such licensing boards of various States co-  
10 operate to develop and implement State policies that  
11 will reduce statutory and regulatory barriers to tele-  
12 medicine.

13 (2) **AUTHORIZATION OF APPROPRIATIONS.—**For  
14 the purpose of carrying out paragraph (1), there are  
15 authorized to be appropriated \$10,000,000 for fiscal  
16 year 2002, and such sums as may be necessary for  
17 each of the fiscal years 2002 through 2006.

18 **SEC. 102. MIGRATORY AND SEASONAL AGRICULTURAL**  
19 **WORKERS.**

20 Section 330(g) of the Public Health Service Act (42  
21 U.S.C. 254b(g)) is amended—

22 (1) in paragraph (2)—

23 (A) in subparagraph (A), by inserting  
24 “and seasonal agricultural worker” after “agri-  
25 cultural worker”; and

1 (B) in subparagraph (B), by striking “and  
 2 members of their families” and inserting “and  
 3 seasonal agricultural workers, and members of  
 4 their families,”; and  
 5 (2) in paragraph (3)(A), by striking “on a sea-  
 6 sonal basis”.

7 **TITLE II—RURAL HEALTH**  
 8 **Subtitle A—Rural Health Care**  
 9 **Services Outreach, Rural Health**  
 10 **Network Development, and**  
 11 **Small Health Care Provider**  
 12 **Quality Improvement Grant**  
 13 **Programs**

14 **SEC. 201. GRANT PROGRAMS.**

15 Section 330A of the Public Health Service Act (42  
 16 U.S.C. 254c) is amended to read as follows:

17 **“SEC. 330A. RURAL HEALTH CARE SERVICES OUTREACH,**  
 18 **RURAL HEALTH NETWORK DEVELOPMENT,**  
 19 **AND SMALL HEALTH CARE PROVIDER QUAL-**  
 20 **ITY IMPROVEMENT GRANT PROGRAMS.**

21 **“(a) PURPOSE.—**The purpose of this section is to  
 22 provide grants for expanded delivery of health care serv-  
 23 ices in rural areas, for the planning and implementation  
 24 of integrated health care networks in rural areas, and for



1 the planning and implementation of small health care pro-  
2 vider quality improvement activities.

3 “(b) DEFINITIONS.—

4 “(1) DIRECTOR.—The term ‘Director’ means  
5 the Director specified in subsection (d).

6 “(2) FEDERALLY QUALIFIED HEALTH CENTER;  
7 RURAL HEALTH CLINIC.—The terms ‘Federally  
8 qualified health center’ and ‘rural health clinic’ have  
9 the meanings given the terms in section 1861(aa) of  
10 the Social Security Act (42 U.S.C. 1395x(aa)).

11 “(3) HEALTH PROFESSIONAL SHORTAGE  
12 AREA.—The term ‘health professional shortage area’  
13 means a health professional shortage area des-  
14 ignated under section 332.

15 “(4) MEDICALLY UNDERSERVED COMMUNITY.—  
16 The term ‘medically underserved community’ has the  
17 meaning given the term in section 799B.

18 “(5) MEDICALLY UNDERSERVED POPU-  
19 LATION.—The term ‘medically underserved popu-  
20 lation’ has the meaning given the term in section  
21 330(b)(3).

22 “(c) PROGRAM.—The Secretary shall establish, under  
23 section 301, a small health care provider quality improve-  
24 ment grant program.

25 “(d) ADMINISTRATION.—

1           “(1) PROGRAMS.—The rural health care serv-  
2           ices outreach, rural health network development, and  
3           small health care provider quality improvement  
4           grant programs established under section 301 shall  
5           be administered by the Director of the Office of  
6           Rural Health Policy of the Health Resources and  
7           Services Administration, in consultation with State  
8           offices of rural health or other appropriate State  
9           government entities.

10           “(2) GRANTS.—

11                   “(A) IN GENERAL.—In carrying out the  
12                   programs described in paragraph (1), the Di-  
13                   rector may award grants under subsections (e),  
14                   (f), and (g) to expand access to, coordinate, and  
15                   improve the quality of essential health care  
16                   services, and enhance the delivery of health  
17                   care, in rural areas.

18                   “(B) TYPES OF GRANTS.—The Director  
19                   may award the grants—

20                           “(i) to promote expanded delivery of  
21                           health care services in rural areas under  
22                           subsection (e);

23                           “(ii) to provide for the planning and  
24                           implementation of integrated health care

1 networks in rural areas under subsection  
2 (f); and

3 “(iii) to provide for the planning and  
4 implementation of small health care pro-  
5 vider quality improvement activities under  
6 subsection (g).

7 “(e) RURAL HEALTH CARE SERVICES OUTREACH  
8 GRANTS.—

9 “(1) GRANTS.—The Director may award grants  
10 to eligible entities to promote rural health care serv-  
11 ices outreach by expanding the delivery of health  
12 care services to include new and enhanced services  
13 in rural areas. The Director may award the grants  
14 for periods of not more than 3 years.

15 “(2) ELIGIBILITY.—To be eligible to receive a  
16 grant under this subsection for a project, an enti-  
17 ty—

18 “(A) shall be a rural public or private enti-  
19 ty;

20 “(B) shall represent a consortium com-  
21 posed of members—

22 “(i) that include 3 or more health  
23 care providers; and

24 “(ii) that may be nonprofit or for-  
25 profit entities; and

1           “(C) shall not previously have received a  
2           grant under this subsection for the same or a  
3           similar project, unless the entity is proposing to  
4           expand the scope of the project or the area that  
5           will be served through the project.

6           “(3) APPLICATIONS.—To be eligible to receive a  
7           grant under this subsection, an eligible entity, in  
8           consultation with the appropriate State office of  
9           rural health or another appropriate State entity,  
10          shall prepare and submit to the Secretary an appli-  
11          cation, at such time, in such manner, and containing  
12          such information as the Secretary may require, in-  
13          cluding—

14               “(A) a description of the project that the  
15               eligible entity will carry out using the funds  
16               provided under the grant;

17               “(B) a description of the manner in which  
18               the project funded under the grant will meet  
19               the health care needs of rural underserved pop-  
20               ulations in the local community or region to be  
21               served;

22               “(C) a description of how the local commu-  
23               nity or region to be served will be involved in  
24               the development and ongoing operations of the  
25               project;

1                   “(D) a plan for sustaining the project after  
2                   Federal support for the project has ended; and

3                   “(E) a description of how the project will  
4                   be evaluated.

5           “(f) RURAL HEALTH NETWORK DEVELOPMENT  
6 GRANTS.—

7           “(1) GRANTS.—

8                   “(A) IN GENERAL.—The Director may  
9                   award rural health network development grants  
10                  to eligible entities to promote, through planning  
11                  and implementation, the development of inte-  
12                  grated health care networks that have combined  
13                  the functions of the entities participating in the  
14                  networks in order to—

15                         “(i) achieve efficiencies;

16                         “(ii) expand access to, coordinate, and  
17                         improve the quality of essential health care  
18                         services; and

19                         “(iii) strengthen the rural health care  
20                         system as a whole.

21                   “(B) GRANT PERIODS.—The Director may  
22                   award such a rural health network development  
23                   grant for implementation activities for a period  
24                   of 3 years. The Director may also award such  
25                   a rural health network development grant for

1 planning activities for a period of 1 year, to as-  
2 sist in the development of an integrated health  
3 care network, if the proposed participants in  
4 the network do not have a history of collabo-  
5 rative efforts and a 3-year grant would be inap-  
6 propriate.

7 “(2) ELIGIBILITY.—To be eligible to receive a  
8 grant under this subsection, an entity—

9 “(A) shall be a rural public or private enti-  
10 ty;

11 “(B) shall represent a network composed  
12 of participants—

13 “(i) that include 3 or more health  
14 care providers; and

15 “(ii) that may be nonprofit or for-  
16 profit entities; and

17 “(C) shall not previously have received a  
18 grant under this subsection (other than a grant  
19 for planning activities) for the same or a simi-  
20 lar project.

21 “(3) APPLICATIONS.—To be eligible to receive a  
22 grant under this subsection, an eligible entity, in  
23 consultation with the appropriate State office of  
24 rural health or another appropriate State entity,  
25 shall prepare and submit to the Secretary an appli-

1 cation, at such time, in such manner, and containing  
2 such information as the Secretary may require, in-  
3 cluding—

4 “(A) a description of the project that the  
5 eligible entity will carry out using the funds  
6 provided under the grant;

7 “(B) an explanation of the reasons why  
8 Federal assistance is required to carry out the  
9 project;

10 “(C) a description of—

11 “(i) the history of collaborative activi-  
12 ties carried out by the participants in the  
13 network;

14 “(ii) the degree to which the partici-  
15 pants are ready to integrate their func-  
16 tions; and

17 “(iii) how the local community or re-  
18 gion to be served will benefit from and be  
19 involved in the activities carried out by the  
20 network;

21 “(D) a description of how the local com-  
22 munity or region to be served will experience in-  
23 creased access to quality health care services  
24 across the continuum of care as a result of the

1 integration activities carried out by the net-  
2 work;

3 “(E) a plan for sustaining the project after  
4 Federal support for the project has ended; and

5 “(F) a description of how the project will  
6 be evaluated.

7 “(g) SMALL HEALTH CARE PROVIDER QUALITY IM-  
8 PROVEMENT GRANTS.—

9 “(1) GRANTS.—The Director may award grants  
10 to provide for the planning and implementation of  
11 small health care provider quality improvement ac-  
12 tivities. The Director may award the grants for peri-  
13 ods of 1 to 3 years.

14 “(2) ELIGIBILITY.—To be eligible for a grant  
15 under this subsection, an entity—

16 “(A)(i) shall be a rural public or rural non-  
17 profit private health care provider or provider  
18 of health care services, such as a critical access  
19 hospital or a rural health clinic; or

20 “(ii) shall be another rural provider or net-  
21 work of small rural providers identified by the  
22 Secretary as a key source of local care; and

23 “(B) shall not previously have received a  
24 grant under this subsection for the same or a  
25 similar project.



1           “(3) APPLICATIONS.—To be eligible to receive a  
2           grant under this subsection, an eligible entity, in  
3           consultation with the appropriate State office of  
4           rural health, another appropriate State entity, or a  
5           hospital association, shall prepare and submit to the  
6           Secretary an application, at such time, in such man-  
7           ner, and containing such information as the Sec-  
8           retary may require, including—

9                   “(A) a description of the project that the  
10                  eligible entity will carry out using the funds  
11                  provided under the grant;

12                  “(B) an explanation of the reasons why  
13                  Federal assistance is required to carry out the  
14                  project;

15                  “(C) a description of the manner in which  
16                  the project funded under the grant will assure  
17                  continuous quality improvement in the provision  
18                  of services by the entity;

19                  “(D) a description of how the local com-  
20                  munity or region to be served will experience in-  
21                  creased access to quality health care services  
22                  across the continuum of care as a result of the  
23                  activities carried out by the entity;

24                  “(E) a plan for sustaining the project after  
25                  Federal support for the project has ended; and

1                   “(F) a description of how the project will  
2                   be evaluated.

3                   “(4) EXPENDITURES FOR SMALL HEALTH CARE  
4                   PROVIDER QUALITY IMPROVEMENT GRANTS.—In  
5                   awarding a grant under this subsection, the Director  
6                   shall ensure that the funds made available through  
7                   the grant will be used to provide services to resi-  
8                   dents of rural areas. The Director shall award not  
9                   less than 50 percent of the funds made available  
10                  under this subsection to providers located in and  
11                  serving rural areas.

12                  “(h) GENERAL REQUIREMENTS.—

13                  “(1) PROHIBITED USES OF FUNDS.—An entity  
14                  that receives a grant under this section may not use  
15                  funds provided through the grant—

16                         “(A) to build or acquire real property; or

17                         “(B) for construction, except that such  
18                         funds may be expended for minor renovations  
19                         relating to the installation of equipment.

20                  “(2) COORDINATION WITH OTHER AGENCIES.—

21                  The Secretary shall coordinate activities carried out  
22                  under grant programs described in this section, to  
23                  the extent practicable, with Federal and State agen-  
24                  cies and nonprofit organizations that are operating

1 similar grant programs, to maximize the effect of  
2 public dollars in funding meritorious proposals.

3 “(3) PREFERENCE.—In awarding grants under  
4 this section, the Secretary shall give preference to  
5 entities that—

6 “(A) are located in health professional  
7 shortage areas or medically underserved com-  
8 munities, or serve medically underserved popu-  
9 lations; or

10 “(B) propose to develop projects with a  
11 focus on primary care, and wellness and preven-  
12 tion strategies.

13 “(i) REPORT.—Not later than September 30, 2005,  
14 the Secretary shall prepare and submit to the appropriate  
15 committees of Congress a report on the progress and ac-  
16 complishments of the grant programs described in sub-  
17 sections (e), (f), and (g).

18 “(j) AUTHORIZATION OF APPROPRIATIONS.—There  
19 are authorized to be appropriated to carry out this section  
20 \$40,000,000 for fiscal year 2002, and such sums as may  
21 be necessary for each of fiscal years 2003 through 2006.”.

1       **Subtitle B—Telehealth Grant**  
2                   **Consolidation**

3   **SEC. 211. SHORT TITLE.**

4       This subtitle may be cited as the “Telehealth Grant  
5 Consolidation Act of 2001”.

6   **SEC. 212. CONSOLIDATION AND REAUTHORIZATION OF**  
7                   **PROVISIONS.**

8       Subpart I of part D of title III of the Public Health  
9 Service Act (42 U.S.C. 254b et seq) is amended by adding  
10 at the end the following:

11   **“SEC. 330I. TELEHEALTH NETWORK AND TELEHEALTH RE-**  
12                   **SOURCE CENTERS GRANT PROGRAMS.**

13       “(a) DEFINITIONS.—In this section:

14               “(1) DIRECTOR; OFFICE.—The terms ‘Director’  
15 and ‘Office’ mean the Director and Office specified  
16 in subsection (c).

17               “(2) FEDERALLY QUALIFIED HEALTH CENTER  
18 AND RURAL HEALTH CLINIC.—The term ‘Federally  
19 qualified health center’ and ‘rural health clinic’ have  
20 the meanings given the terms in section 1861(aa) of  
21 the Social Security Act (42 U.S.C. 1395x(aa)).

22               “(3) FRONTIER COMMUNITY.—The term ‘fron-  
23 tier community’ means an area with fewer than 6  
24 residents per square mile, based on the latest popu-  
25 lation data published by the Bureau of the Census.

1           “(4) MEDICALLY UNDERSERVED AREA.—The  
2           term ‘medically underserved area’ has the meaning  
3           given the term ‘medically underserved community’ in  
4           section 799B.

5           “(5) MEDICALLY UNDERSERVED POPU-  
6           LATION.—The term ‘medically underserved popu-  
7           lation’ has the meaning given the term in section  
8           330(b)(3).

9           “(6) TELEHEALTH SERVICES.—The term ‘tele-  
10          health services’ means services provided through  
11          telehealth technologies.

12          “(7) TELEHEALTH TECHNOLOGIES.—The term  
13          ‘telehealth technologies’ means technologies relating  
14          to the use of electronic information, and tele-  
15          communications technologies, to support and pro-  
16          mote, at a distance, health care, patient and profes-  
17          sional health-related education, health administra-  
18          tion, and public health.

19          “(b) PROGRAMS.—The Secretary shall establish,  
20          under section 301, telehealth network and telehealth re-  
21          source centers grant programs.

22          “(c) ADMINISTRATION.—

23                 “(1) ESTABLISHMENT.—There is established in  
24                 the Health and Resources and Services Administra-

1       tion an Office for the Advancement of Telehealth.  
2       The Office shall be headed by a Director.

3               “(2) DUTIES.—The telehealth network and tele-  
4       health resource centers grant programs established  
5       under section 301 shall be administered by the Di-  
6       rector, in consultation with the State offices of rural  
7       health, State offices concerning primary care, or  
8       other appropriate State government entities.

9       “(d) GRANTS.—

10              “(1) TELEHEALTH NETWORK GRANTS.—The  
11       Director may, in carrying out the telehealth network  
12       grant program referred to in subsection (b), award  
13       grants to eligible entities for projects to demonstrate  
14       how telehealth technologies can be used through tele-  
15       health networks in rural areas, frontier communities,  
16       and medically underserved areas, and for medically  
17       underserved populations, to—

18              “(A) expand access to, coordinate, and im-  
19       prove the quality of health care services;

20              “(B) improve and expand the training of  
21       health care providers; and

22              “(C) expand and improve the quality of  
23       health information available to health care pro-  
24       viders, and patients and their families, for deci-  
25       sionmaking.

1           “(2) TELEHEALTH RESOURCE CENTERS  
2           GRANTS.—The Director may, in carrying out the  
3           telehealth resource centers grant program referred  
4           to in subsection (b), award grants to eligible entities  
5           for projects to demonstrate how telehealth tech-  
6           nologies can be used in the areas and communities,  
7           and for the populations, described in paragraph (1),  
8           to establish telehealth resource centers.

9           “(e) GRANT PERIODS.—The Director may award  
10          grants under this section for periods of not more than 4  
11          years.

12          “(f) ELIGIBLE ENTITIES.—

13               “(1) TELEHEALTH NETWORK GRANTS.—

14                   “(A) GRANT RECIPIENT.—To be eligible to  
15                   receive a grant under subsection (d)(1), an enti-  
16                   ty shall be a nonprofit entity.

17                   “(B) TELEHEALTH NETWORKS.—

18                           “(i) IN GENERAL.—To be eligible to  
19                           receive a grant under subsection (d)(1), an  
20                           entity shall demonstrate that the entity  
21                           will provide services through a telehealth  
22                           network.

23                           “(ii) NATURE OF ENTITIES.—Each  
24                           entity participating in the telehealth net-

1 work may be a nonprofit or for-profit enti-  
2 ty.

3 “(iii) COMPOSITION OF NETWORK.—  
4 The telehealth network shall include at  
5 least 2 of the following entities (at least 1  
6 of which shall be a community-based  
7 health care provider):

8 “(I) Community or migrant  
9 health centers or other Federally  
10 qualified health centers.

11 “(II) Health care providers, in-  
12 cluding pharmacists, in private prac-  
13 tice.

14 “(III) Entities operating clinics,  
15 including rural health clinics.

16 “(IV) Local health departments.

17 “(V) Nonprofit hospitals, includ-  
18 ing community access hospitals.

19 “(VI) Other publicly funded  
20 health or social service agencies.

21 “(VII) Long-term care providers.

22 “(VIII) Providers of health care  
23 services in the home.

24 “(IX) Providers of outpatient  
25 mental health services and entities op-



1                   erating outpatient mental health fa-  
2                   cilities.

3                   “(X) Local or regional emergency  
4                   health care providers.

5                   “(XI) Institutions of higher edu-  
6                   cation.

7                   “(XII) Entities operating dental  
8                   clinics.

9                   “(2) TELEHEALTH RESOURCE CENTERS  
10                GRANTS.—To be eligible to receive a grant under  
11                subsection (d)(2), an entity shall be a nonprofit enti-  
12                ty.

13               “(g) APPLICATIONS.—To be eligible to receive a  
14                grant under subsection (d), an eligible entity, in consulta-  
15                tion with the appropriate State office of rural health or  
16                another appropriate State entity, shall prepare and submit  
17                to the Secretary an application, at such time, in such man-  
18                ner, and containing such information as the Secretary may  
19                require, including—

20                   “(1) a description of the project that the eligi-  
21                ble entity will carry out using the funds provided  
22                under the grant;

23                   “(2) a description of the manner in which the  
24                project funded under the grant will meet the health  
25                care needs of rural or other populations to be served

1 through the project, or improve the access to serv-  
2 ices of, and the quality of the services received by,  
3 those populations;

4 “(3) evidence of local support for the project,  
5 and a description of how the areas, communities, or  
6 populations to be served will be involved in the devel-  
7 opment and ongoing operations of the project;

8 “(4) a plan for sustaining the project after Fed-  
9 eral support for the project has ended;

10 “(5) information on the source and amount of  
11 non-Federal funds that the entity will provide for  
12 the project;

13 “(6) information demonstrating the long-term  
14 viability of the project, and other evidence of institu-  
15 tional commitment of the entity to the project; and

16 “(7) in the case of an application for a project  
17 involving a telehealth network, information dem-  
18 onstrating how the project will promote the integra-  
19 tion of telehealth technologies into the operations of  
20 health care providers, to avoid redundancy, and im-  
21 prove access to and the quality of care.

22 “(h) TERMS; CONDITIONS; MAXIMUM AMOUNT OF  
23 ASSISTANCE.—The Secretary shall establish the terms  
24 and conditions of each grant program described in sub-  
25 section (b) and the maximum amount of a grant to be

1 awarded to an individual recipient for each fiscal year  
2 under this section. The Secretary shall publish, in a publi-  
3 cation of the Health Resources and Services Administra-  
4 tion, notice of the application requirements for each grant  
5 program described in subsection (b) for each fiscal year.

6 “(i) PREFERENCES.—

7 “(1) TELEHEALTH NETWORKS.—In awarding  
8 grants under subsection (d)(1) for projects involving  
9 telehealth networks, the Secretary shall give pref-  
10 erence to an eligible entity that meets at least 1 of  
11 the following requirements:

12 “(A) ORGANIZATION.—The eligible entity  
13 is a rural community-based organization or an-  
14 other community-based organization.

15 “(B) SERVICES.—The eligible entity pro-  
16 poses to use Federal funds made available  
17 through such a grant to develop plans for, or to  
18 establish, telehealth networks that provide men-  
19 tal health, public health, long-term care, home  
20 care, preventive, or case management services.

21 “(C) COORDINATION.—The eligible entity  
22 demonstrates how the project to be carried out  
23 under the grant will be coordinated with other  
24 relevant federally funded projects in the areas,

1 communities, and populations to be served  
2 through the grant.

3 “(D) NETWORK.—The eligible entity dem-  
4 onstrates that the project involves a telehealth  
5 network that includes an entity that—

6 “(i) provides clinical health care serv-  
7 ices, or educational services for health care  
8 providers and for patients or their families;  
9 and

10 “(ii) is—

11 “(I) a public school;

12 “(II) a public library;

13 “(III) an institution of higher  
14 education; or

15 “(IV) a local government entity.

16 “(E) CONNECTIVITY.—The eligible entity  
17 proposes a project that promotes local  
18 connectivity within areas, communities, or pop-  
19 ulations to be served through the project.

20 “(F) INTEGRATION.—The eligible entity  
21 demonstrates that health care information has  
22 been integrated into the project.

23 “(2) TELEHEALTH RESOURCE CENTERS.—In  
24 awarding grants under subsection (d)(2) for projects  
25 involving telehealth resource centers, the Secretary

1 shall give preference to an eligible entity that meets  
2 at least 1 of the following requirements:

3 “(A) PROVISION OF SERVICES.—The eligi-  
4 ble entity has a record of success in the provi-  
5 sion of telehealth services to medically under-  
6 served areas or medically underserved popu-  
7 lations.

8 “(B) COLLABORATION AND SHARING OF  
9 EXPERTISE.—The eligible entity has a dem-  
10 onstrated record of collaborating and sharing  
11 expertise with providers of telehealth services at  
12 the national, regional, State, and local levels.

13 “(C) BROAD RANGE OF TELEHEALTH  
14 SERVICES.—The eligible entity has a record of  
15 providing a broad range of telehealth services,  
16 which may include—

17 “(i) a variety of clinical specialty serv-  
18 ices;

19 “(ii) patient or family education;

20 “(iii) health care professional edu-  
21 cation; and

22 “(iv) rural residency support pro-  
23 grams.

24 “(j) DISTRIBUTION OF FUNDS.—

1           “(1) IN GENERAL.—In awarding grants under  
2           this section, the Director shall ensure, to the great-  
3           est extent possible, that such grants are equitably  
4           distributed among the geographical regions of the  
5           United States.

6           “(2) TELEHEALTH NETWORKS.—In awarding  
7           grants under subsection (d)(1) for a fiscal year, the  
8           Director shall ensure that—

9                   “(A) not less than 50 percent of the funds  
10                  awarded shall be awarded for projects in rural  
11                  areas; and

12                  “(B) the total amount of funds awarded  
13                  for such projects for that fiscal year shall be  
14                  not less than the total amount of funds award-  
15                  ed for such projects for fiscal year 2001 under  
16                  section 330A (as in effect on the day before the  
17                  date of enactment of the Health Care Safety  
18                  Net Improvement Act).

19           “(k) USE OF FUNDS.—

20                  “(1) TELEHEALTH NETWORK PROGRAM.—The  
21                  recipient of a grant under subsection (d)(1) may use  
22                  funds received through such grant for salaries,  
23                  equipment, and operating or other costs, including  
24                  the cost of—

1           “(A) developing and delivering clinical tele-  
2 health services that enhance access to commu-  
3 nity-based health care services in rural areas,  
4 frontier communities, or medically underserved  
5 areas, or for medically underserved populations;

6           “(B) developing and acquiring, through  
7 lease or purchase, computer hardware and soft-  
8 ware, audio and video equipment, computer net-  
9 work equipment, interactive equipment, data  
10 terminal equipment, and other equipment that  
11 furthers the objectives of the telehealth network  
12 grant program;

13           “(C)(i) developing and providing distance  
14 education, in a manner that enhances access to  
15 care in rural areas, frontier communities, or  
16 medically underserved areas, or for medically  
17 underserved populations; or

18           “(ii) mentoring, precepting, or supervising  
19 health care providers and students seeking to  
20 become health care providers, in a manner that  
21 enhances access to care in the areas and com-  
22 munities, or for the populations, described in  
23 clause (i);

24           “(D) developing and acquiring instruc-  
25 tional programming;

1           “(E)(i) providing for transmission of med-  
2           ical data, and maintenance of equipment; and

3           “(ii) providing for compensation (including  
4           travel expenses) of specialists, and referring  
5           health care providers, who are providing tele-  
6           health services through the telehealth network,  
7           if no third party payment is available for the  
8           telehealth services delivered through the tele-  
9           health network;

10          “(F) developing projects to use telehealth  
11          technology to facilitate collaboration between  
12          health care providers;

13          “(G) collecting and analyzing usage statis-  
14          tics and data to document the cost-effectiveness  
15          of the telehealth services; and

16          “(H) carrying out such other activities as  
17          are consistent with achieving the objectives of  
18          this section, as determined by the Secretary.

19          “(2) TELEHEALTH RESOURCE CENTERS.—The  
20          recipient of a grant under subsection (d)(2) may use  
21          funds received through such grant for salaries,  
22          equipment, and operating or other costs for—

23               “(A) providing technical assistance, train-  
24               ing, and support, and providing for travel ex-  
25               penses, for health care providers and a range of



1 health care entities that provide or will provide  
2 telehealth services;

3 “(B) disseminating information and re-  
4 search findings related to telehealth services;

5 “(C) promoting effective collaboration  
6 among telehealth resource centers and the Of-  
7 fice;

8 “(D) conducting evaluations to determine  
9 the best utilization of telehealth technologies to  
10 meet health care needs;

11 “(E) promoting the integration of the tech-  
12 nologies used in clinical information systems  
13 with other telehealth technologies;

14 “(F) fostering the use of telehealth tech-  
15 nologies to provide health care information and  
16 education for health care providers and con-  
17 sumers in a more effective manner; and

18 “(G) implementing special projects or  
19 studies under the direction of the Office.

20 “(I) PROHIBITED USES OF FUNDS.—An entity that  
21 receives a grant under this section may not use funds  
22 made available through the grant—

23 “(1) to acquire real property;

1           “(2) for expenditures to purchase or lease  
2           equipment, to the extent that the expenditures would  
3           exceed 40 percent of the total grant funds;

4           “(3) in the case of a project involving a tele-  
5           health network, to purchase or install transmission  
6           equipment (such as laying cable or telephone lines,  
7           or purchasing or installing microwave towers, sat-  
8           ellite dishes, amplifiers, or digital switching equip-  
9           ment);

10          “(4) to pay for any equipment or transmission  
11          costs not directly related to the purposes for which  
12          the grant is awarded;

13          “(5) to purchase or install general purpose  
14          voice telephone systems;

15          “(6) for construction, except that such funds  
16          may be expended for minor renovations relating to  
17          the installation of equipment; or

18          “(7) for expenditures for indirect costs (as de-  
19          termined by the Secretary), to the extent that the  
20          expenditures would exceed 10 percent of the total  
21          grant funds.

22          “(m) COLLABORATION.—In providing services under  
23          this section, an eligible entity shall collaborate, if feasible,  
24          with entities that—

1           “(1)(A) are private or public organizations, that  
2           receive Federal or State assistance; or

3           “(B) are public or private entities that operate  
4           centers, or carry out programs, that receive Federal  
5           or State assistance; and

6           “(2) provide telehealth services or related activi-  
7           ties.

8           “(n) COORDINATION WITH OTHER AGENCIES.—The  
9           Secretary shall coordinate activities carried out under  
10          grant programs described in subsection (b), to the extent  
11          practicable, with Federal and State agencies and nonprofit  
12          organizations that are operating similar programs, to  
13          maximize the effect of public dollars in funding meri-  
14          torious proposals.

15          “(o) OUTREACH ACTIVITIES.—The Secretary shall  
16          establish and implement procedures to carry out outreach  
17          activities to advise potential end users of telehealth serv-  
18          ices in rural areas, frontier communities, medically under-  
19          served areas, and medically underserved populations in  
20          each State about the grant programs described in sub-  
21          section (b).

22          “(p) TELEHEALTH.—It is the sense of Congress that,  
23          for purposes of this section, States should develop reci-  
24          procity agreements so that a provider of services under  
25          this section who is a licensed or otherwise authorized

1 health care provider under the law of 1 or more States,  
2 and who, through telehealth technology, consults with a  
3 licensed or otherwise authorized health care provider in  
4 another State, is exempt, with respect to such consulta-  
5 tion, from any State law of the other State that prohibits  
6 such consultation on the basis that the first health care  
7 provider is not a licensed or authorized health care pro-  
8 vider under the law of that State.

9 “(q) REPORT.—Not later than September 30, 2005,  
10 the Secretary shall prepare and submit to the appropriate  
11 committees of Congress a report on the progress and ac-  
12 complishments of the grant programs described in sub-  
13 section (b).

14 “(r) AUTHORIZATION OF APPROPRIATIONS.—There  
15 are authorized to be appropriated to carry out this sec-  
16 tion—

17 “(1) for grants under subsection (d)(1),  
18 \$40,000,000 for fiscal year 2002, and such sums as  
19 may be necessary for each of fiscal years 2003  
20 through 2006; and

21 “(2) for grants under subsection (d)(2),  
22 \$20,000,000 for fiscal year 2002, and such sums as  
23 may be necessary for each of fiscal years 2003  
24 through 2006.”.

1 **Subtitle C—Mental Health Services**  
 2 **Telehealth Program and Rural**  
 3 **Emergency Medical Service**  
 4 **Training and Equipment Assist-**  
 5 **ance Program**

6 **SEC. 221. PROGRAMS.**

7 Subpart I of part D of title III of the Public Health  
 8 Service Act (42 U.S.C. 254b et seq.) (as amended by sec-  
 9 tion 212) is further amended by adding at the end the  
 10 following:

11 **“SEC. 330J. RURAL EMERGENCY MEDICAL SERVICE TRAIN-**  
 12 **ING AND EQUIPMENT ASSISTANCE PROGRAM.**

13 “(a) GRANTS.—The Secretary, acting through the  
 14 Administrator of the Health Resources and Services Ad-  
 15 ministration (referred to in this section as the ‘Secretary’)  
 16 shall award grants to eligible entities to enable such enti-  
 17 ties to provide for improved emergency medical services  
 18 in rural areas.

19 “(b) ELIGIBILITY.—To be eligible to receive a grant  
 20 under this section, an entity shall—

21 “(1) be—

22 “(A) a State emergency medical services  
 23 office;

24 “(B) a State emergency medical services  
 25 association;

1 “(C) a State office of rural health;

2 “(D) a local government entity;

3 “(E) a State or local ambulance provider;

4 or

5 “(F) any other entity determined appro-  
6 priate by the Secretary; and

7 “(2) prepare and submit to the Secretary an  
8 application at such time, in such manner, and con-  
9 taining such information as the Secretary may re-  
10 quire, that includes—

11 “(A) a description of the activities to be  
12 carried out under the grant; and

13 “(B) an assurance that the eligible entity  
14 will comply with the matching requirement of  
15 subsection (e).

16 “(c) USE OF FUNDS.—An entity shall use amounts  
17 received under a grant made under subsection (a), either  
18 directly or through grants to emergency medical service  
19 squads that are located in, or that serve residents of, a  
20 nonmetropolitan statistical area, an area designated as a  
21 rural area by any law or regulation of a State, or a rural  
22 census tract of a metropolitan statistical area (as deter-  
23 mined under the most recent Goldsmith Modification,  
24 originally published in a notice of availability of funds in

1 the Federal Register on February 27, 1992, 57 Fed. Reg.  
2 6725), to—

3 “(1) recruit emergency medical service per-  
4 sonnel;

5 “(2) recruit volunteer emergency medical serv-  
6 ice personnel;

7 “(3) train emergency medical service personnel  
8 in emergency response, injury prevention, safety  
9 awareness, and other topics relevant to the delivery  
10 of emergency medical services;

11 “(4) fund specific training to meet Federal or  
12 State certification requirements;

13 “(5) develop new ways to educate emergency  
14 health care providers through the use of technology-  
15 enhanced educational methods (such as distance  
16 learning);

17 “(6) acquire emergency medical services equip-  
18 ment, including cardiac defibrillators;

19 “(7) acquire personal protective equipment for  
20 emergency medical services personnel as required by  
21 the Occupational Safety and Health Administration;  
22 and

23 “(8) educate the public concerning  
24 cardiopulmonary resuscitation, first aid, injury pre-

1       vention, safety awareness, illness prevention, and  
2       other related emergency preparedness topics.

3       “(d) PREFERENCE.—In awarding grants under this  
4 section the Secretary shall give preference to—

5               “(1) applications that reflect a collaborative ef-  
6       fort by 2 or more of the entities described in sub-  
7       paragraphs (A) through (F) of subsection (b)(1);  
8       and

9               “(2) applications submitted by entities that in-  
10      tend to use amounts provided under the grant to  
11      fund activities described in any of paragraphs (1)  
12      through (5) of subsection (c).

13      “(e) MATCHING REQUIREMENT.—The Secretary may  
14 not award a grant under this section to an entity unless  
15 the entity agrees that the entity will make available (di-  
16 rectly or through contributions from other public or pri-  
17 vate entities) non-Federal contributions toward the activi-  
18 ties to be carried out under the grant in an amount equal  
19 to 25 percent of the amount received under the grant.

20      “(f) EMERGENCY MEDICAL SERVICES.—In this sec-  
21 tion, the term ‘emergency medical services’—

22               “(1) means resources used by a qualified public  
23      or private nonprofit entity, or by any other entity  
24      recognized as qualified by the State involved, to de-



1        liver medical care outside of a medical facility under  
2        emergency conditions that occur—

3                “(A) as a result of the condition of the pa-  
4        tient; or

5                “(B) as a result of a natural disaster or  
6        similar situation; and

7                “(2) includes services delivered by an emer-  
8        gency medical services provider (either compensated  
9        or volunteer) or other provider recognized by the  
10       State involved that is licensed or certified by the  
11       State as an emergency medical technician or its  
12       equivalent (as determined by the State), a registered  
13       nurse, a physician assistant, or a physician that pro-  
14       vides services similar to services provided by such an  
15       emergency medical services provider.

16       “(g) AUTHORIZATION OF APPROPRIATIONS.—

17                “(1) IN GENERAL.—There are authorized to be  
18       appropriated to carry out this section such sums as  
19       may be necessary for each of fiscal years 2002  
20       through 2006.

21                “(2) ADMINISTRATIVE COSTS.—The Secretary  
22       may use not more than 10 percent of the amount  
23       appropriated under paragraph (1) for a fiscal year  
24       for the administrative expenses of carrying out this  
25       section.

1 **“SEC. 330K. MENTAL HEALTH SERVICES DELIVERED VIA**  
2 **TELEHEALTH.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-  
5 tity’ means a public or nonprofit private telehealth  
6 provider network that offers services that include  
7 mental health services provided by qualified mental  
8 health providers.

9 “(2) QUALIFIED MENTAL HEALTH PROFES-  
10 SIONALS.—The term ‘qualified mental health profes-  
11 sionals’ refers to providers of mental health services  
12 reimbursed under the medicare program carried out  
13 under title XVIII of the Social Security Act (42  
14 U.S.C. 1395 et seq.) who have additional training in  
15 the treatment of mental illness in children and ado-  
16 lescents or who have additional training in the treat-  
17 ment of mental illness in the elderly.

18 “(3) SPECIAL POPULATIONS.—The term ‘spe-  
19 cial populations’ refers to the following 2 distinct  
20 groups:

21 “(A) Children and adolescents in mental  
22 health underserved rural areas or in mental  
23 health underserved urban areas.

24 “(B) Elderly individuals located in long-  
25 term care facilities in mental health under-

1           served rural areas or in mental health under-  
2           served urban areas.

3           “(4) TELEHEALTH.—The term ‘telehealth’  
4           means the use of electronic information and tele-  
5           communications technologies to support long dis-  
6           tance clinical health care, patient and professional  
7           health-related education, public health, and health  
8           administration.

9           “(b) PROGRAM AUTHORIZED.—

10           “(1) IN GENERAL.—The Secretary, acting  
11           through the Director of the Office for the Advance-  
12           ment of Telehealth of the Health Resources and  
13           Services Administration, shall award grants to eligi-  
14           ble entities to establish demonstration projects for  
15           the provision of mental health services to special  
16           populations as delivered remotely by qualified mental  
17           health professionals using telehealth and for the pro-  
18           vision of education regarding mental illness as deliv-  
19           ered remotely by qualified mental health profes-  
20           sionals and qualified mental health education profes-  
21           sionals using telehealth.

22           “(2) POPULATIONS SERVED.—The Secretary  
23           shall award the grants under paragraph (1) in a  
24           manner that distributes the grants so as to serve eq-

1       uitably the populations described in subparagraphs  
2       (A) and (B) of subsection (a)(4).

3       “(c) USE OF FUNDS.—

4               “(1) IN GENERAL.—An eligible entity that re-  
5       ceives a grant under this section shall use the grant  
6       funds—

7               “(A) for the populations described in sub-  
8       section (a)(3)(A)—

9               “(i) to provide mental health services,  
10       including diagnosis and treatment of men-  
11       tal illness, in public elementary and public  
12       secondary schools as delivered remotely by  
13       qualified mental health professionals using  
14       telehealth; and

15              “(ii) to collaborate with local public  
16       health entities to provide the mental health  
17       services; and

18              “(B) for the populations described in sub-  
19       section (a)(3)(B)—

20              “(i) to provide mental health services,  
21       including diagnosis and treatment of men-  
22       tal illness, in long-term care facilities as  
23       delivered remotely by qualified mental  
24       health professionals using telehealth; and

1 “(ii) to collaborate with local public  
2 health entities to provide the mental health  
3 services.

4 “(2) OTHER USES.—An eligible entity that re-  
5 ceives a grant under this section may also use the  
6 grant funds to—

7 “(A) pay telecommunications costs; and

8 “(B) pay qualified mental health profes-  
9 sionals on a reasonable basis as determined by  
10 the Secretary for services rendered.

11 “(3) PROHIBITED USES.—An eligible entity  
12 that receives a grant under this section shall not use  
13 the grant funds to—

14 “(A) purchase or install transmission  
15 equipment (other than such equipment used by  
16 qualified mental health professionals to deliver  
17 mental health services using telehealth under  
18 the project involved); or

19 “(B) build upon or acquire real property.

20 “(d) EQUITABLE DISTRIBUTION.—In awarding  
21 grants under this section, the Secretary shall ensure, to  
22 the greatest extent possible, that such grants are equitably  
23 distributed among geographical regions of the United  
24 States.

1       “(e) APPLICATION.—An entity that desires a grant  
2 under this section shall submit an application to the Sec-  
3 retary at such time, in such manner, and containing such  
4 information as the Secretary determines to be reasonable.

5       “(f) REPORT.—Not later than 4 years after the date  
6 of enactment of the Health Care Safety Net Improvement  
7 Act, the Secretary shall prepare and submit to the appro-  
8 priate committees of Congress a report that shall evaluate  
9 activities funded with grants under this section.

10       “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated to carry out this section,  
12 \$20,000,000 for fiscal year 2002 and such sums as may  
13 be necessary for fiscal years 2003 through 2006.”.

## 14       **TITLE III—NATIONAL HEALTH** 15       **SERVICE CORPS PROGRAM**

### 16       **SEC. 301. NATIONAL HEALTH SERVICE CORPS.**

17       (a) IN GENERAL.—Section 331 of the Public Health  
18 Service Act (42 U.S.C. 254d) is amended—

19               (1) by adding at the end of subsection (a)(3)  
20 the following:

21               “(E)(i) The term ‘behaviorial and mental health  
22 professionals’ means health service psychologists, li-  
23 censed clinical social workers, licensed professional  
24 counselors, marriage and family therapists, psy-  
25 chiatric nurse specialists, and psychiatrists.

1           “(ii) The term ‘graduate program of behavioral  
2           and mental health’ means a program that trains  
3           behavioral and mental health professionals.”;

4           (2) in subsection (b)—

5                 (A) in paragraph (1), by striking “health  
6                 professions” and inserting “health professions,  
7                 including schools at which graduate programs  
8                 of behavioral and mental health are offered,”;  
9                 and

10                (B) in paragraph (2), by inserting “behav-  
11                ioral and mental health professionals,” after  
12                “dentists,”; and

13           (3) by striking subsection (c) and inserting the  
14           following:

15           “(c)(1) The Secretary may reimburse an applicant  
16           for a position in the Corps (including an individual consid-  
17           ering entering into a written agreement pursuant to sec-  
18           tion 338D) for the actual and reasonable expenses in-  
19           curred in traveling to and from the applicant’s place of  
20           residence to an eligible site to which the applicant may  
21           be assigned under section 333 for the purpose of evalu-  
22           ating such site with regard to being assigned at such site.  
23           The Secretary may establish a maximum total amount  
24           that may be paid to an individual as reimbursement for  
25           such expenses.

1       “(2) The Secretary may also reimburse the applicant  
2 for the actual and reasonable expenses incurred for the  
3 travel of 1 family member to accompany the applicant to  
4 such site. The Secretary may establish a maximum total  
5 amount that may be paid to an individual as reimburse-  
6 ment for such expenses.

7       “(3) In the case of an individual who has entered into  
8 a contract for obligated service under the Scholarship Pro-  
9 gram or under the Loan Repayment Program, the Sec-  
10 retary may reimburse such individual for all or part of  
11 the actual and reasonable expenses incurred in trans-  
12 porting the individual to the site of the individual’s assign-  
13 ment under section 333. The Secretary may establish a  
14 maximum total amount that may be paid to an individual  
15 as reimbursement for such expenses.”.

16       (b) DEMONSTRATION PROJECTS.—Section 331 of the  
17 Public Health Service Act (42 U.S.C. 254d) is amended—

18               (1) by redesignating subsection (i) as subsection  
19               (j); and

20               (2) by inserting after subsection (h) the fol-  
21       lowing:

22       “(i)(1) In carrying out subpart III, the Secretary  
23 may, in accordance with this subsection, carry out dem-  
24 onstration projects in which individuals who have entered  
25 into a contract for obligated service under the Loan Re-



1 payment Program receive waivers under which the individ-  
2 uals are authorized to satisfy the requirement of obligated  
3 service through providing clinical service that is not full-  
4 time.

5 “(2) A waiver described in paragraph (1) may be pro-  
6 vided by the Secretary only if—

7 “(A) the entity for which the service is to be  
8 performed—

9 “(i) has been approved under section 333A  
10 for assignment of a Corps member; and

11 “(ii) has requested in writing assignment  
12 of a health professional who would serve less  
13 than full time;

14 “(B) the Secretary has determined that assign-  
15 ment of a health professional who would serve less  
16 than full time would be appropriate for the area  
17 where the entity is located;

18 “(C) a Corps member who is required to per-  
19 form obligated service has agreed in writing to be  
20 assigned for less than full-time service to an entity  
21 described in subparagraph (A);

22 “(D) the entity and the Corps member agree in  
23 writing that the less than full-time service provided  
24 by the Corps member will not be less than 16 hours  
25 of clinical service per week;

1 “(E) the Corps member agrees in writing that  
 2 the period of obligated service pursuant to section  
 3 338B will be extended so that the aggregate amount  
 4 of less than full-time service performed will equal the  
 5 amount of service that would be performed through  
 6 full-time service under section 338C; and

7 “(F) the Corps member agrees in writing that  
 8 if the Corps member begins providing less than full-  
 9 time service but fails to begin or complete the period  
 10 of obligated service, the method stated in 338E(c)  
 11 for determining the damages for breach of the indi-  
 12 vidual’s written contract will be used after con-  
 13 verting periods of obligated service or of service per-  
 14 formed into their full-time equivalents.”.

15 **SEC. 302. DESIGNATION OF HEALTH PROFESSIONAL**  
 16 **SHORTAGE AREAS.**

17 (a) IN GENERAL.—Section 332 of the Public Health  
 18 Service Act (42 U.S.C. 254e) is amended—

19 (1) in subsection (a)—

20 (A) in paragraph (1), by inserting after  
 21 the first sentence the following: “All Federally  
 22 qualified health centers and rural health clinics,  
 23 as defined in section 1861(aa) of the Social Se-  
 24 curity Act (42 U.S.C. 1395x(aa)), that meet the  
 25 requirements of section 334 shall be automati-

1 cally designated as having such a shortage. Not  
 2 earlier than 6 years after such date of enact-  
 3 ment, and every 6 years thereafter, each such  
 4 center or clinic shall demonstrate that the cen-  
 5 ter or clinic meets the applicable requirements  
 6 of the Federal regulations, issued after the date  
 7 of enactment of this Act, that revise the defini-  
 8 tion of a health professional shortage area for  
 9 purposes of this section.”; and

10 (B) in paragraph (3), by striking “340(r))  
 11 may be a population group” and inserting  
 12 “330(h)(4)), seasonal agricultural workers (as  
 13 defined in section 330(g)(3)) and migratory ag-  
 14 ricultural workers (as so defined)), and resi-  
 15 dents of public housing (as defined in section  
 16 3(b)(1) of the United States Housing Act of  
 17 1937 (42 U.S.C. 1437a(b)(1))) may be popu-  
 18 lation groups”;

19 (2) in subsection (b)(2), by striking “with spe-  
 20 cial consideration to the indicators of” and all that  
 21 follows through “services.” and inserting a period;  
 22 and

23 (3) in subsection (c)(2)(B), by striking “XVIII  
 24 or XIX” and inserting “XVIII, XIX, or XXI”.

25 (b) REGULATIONS.—

1 (1) REPORT.—

2 (A) IN GENERAL.—The Secretary shall  
3 submit the report described in subparagraph  
4 (B) if the Secretary, acting through the Admin-  
5 istrator of the Health Resources and Services  
6 Administration, issues—

7 (i) a regulation that revises the defini-  
8 tion of a health professional shortage area  
9 for purposes of section 332 of the Public  
10 Health Service Act (42 U.S.C. 254e); or

11 (ii) a regulation that revises the  
12 standards concerning priority of such an  
13 area under section 333A of that Act (42  
14 U.S.C. 254f–1).

15 (B) REPORT.—On issuing a regulation de-  
16 scribed in subparagraph (A), the Secretary shall  
17 prepare and submit to the Committee on En-  
18 ergy and Commerce of the House of Represent-  
19 atives and the Committee on Health, Edu-  
20 cation, Labor, and Pensions of the Senate a re-  
21 port that describes the regulation.

22 (2) EFFECTIVE DATE.—Each regulation de-  
23 scribed in paragraph (1)(A) shall take effect 180  
24 days after the committees described in paragraph

1       (1)(B) receive a report referred to in paragraph  
2       (1)(B) describing the regulation.

3       (c) SCHOLARSHIP AND LOAN REPAYMENT PRO-  
4 GRAMS.—The Secretary of Health and Human Services,  
5 in consultation with organizations representing individuals  
6 in the dental field and organizations representing publicly  
7 funded health care providers, shall develop and implement  
8 a plan for increasing the participation of dentists and den-  
9 tal hygienists in the National Health Service Corps Schol-  
10 arship Program under section 338A of the Public Health  
11 Service Act (42 U.S.C. 254l) and the Loan Repayment  
12 Program under section 338B of such Act (42 U.S.C.  
13 254l–1).

14       (d) SITE DESIGNATION PROCESS.—

15           (1) IMPROVEMENT OF DESIGNATION PROC-  
16 ESS.—The Administrator of the Health Resources  
17 and Services Administration, in consultation with  
18 appropriate State and territorial dental directors,  
19 dental societies, and other interested parties, shall  
20 revise the criteria on which the designations of den-  
21 tal health professional shortage areas are based so  
22 that such criteria provide a more accurate reflection  
23 of oral health care need, particularly in rural areas.

24           (2) PUBLIC HEALTH SERVICE ACT.—Section  
25 332 of the Public Health Service Act (42 U.S.C.

1       254e) is amended by adding at the end the fol-  
2       lowing:

3       “(i) DISSEMINATION.—The Administrator of the  
4       Health Resources and Services Administration shall dis-  
5       seminate information concerning the designation criteria  
6       described in subsection (b) to—

7               “(1) the Governor of each State;

8               “(2) the representative of any area, population  
9       group, or facility selected by any such Governor to  
10      receive such information;

11              “(3) the representative of any area, population  
12      group, or facility that requests such information;  
13      and

14              “(4) the representative of any area, population  
15      group, or facility determined by the Administrator to  
16      be likely to meet the criteria described in subsection  
17      (b).”.

18      (e) GAO STUDY.—Not later than February 1, 2005,  
19      the Comptroller General of the United States shall submit  
20      to the Congress a report on the appropriateness of the  
21      criteria, including but not limited to infant mortality rates,  
22      access to health services taking into account the distance  
23      to primary health services, the rate of poverty and ability  
24      to pay for health services, and low birth rates, established  
25      by the Secretary of Health and Human Services for the

1 designation of health professional shortage areas and  
2 whether the deeming of Federally qualified health centers  
3 and rural health clinics as such areas is appropriate and  
4 necessary.

5 **SEC. 303. ASSIGNMENT OF CORPS PERSONNEL.**

6 Section 333 of the Public Health Service Act (42  
7 U.S.C. 254f) is amended—

8 (1) in subsection (a)—

9 (A) in paragraph (1)—

10 (i) in the matter before subparagraph  
11 (A), by striking “(specified in the agree-  
12 ment described in section 334)”;

13 (ii) in subparagraph (A), by striking  
14 “nonprofit”; and

15 (iii) by striking subparagraph (C) and  
16 inserting the following:

17 “(C) the entity agrees to comply with the  
18 requirements of section 334; and”; and

19 (B) in paragraph (3), by adding at the end  
20 “In approving such applications, the Secretary  
21 shall give preference to applications in which a  
22 nonprofit entity or public entity shall provide a  
23 site to which Corps members may be as-  
24 signed.”; and

25 (2) in subsection (d)—

1 (A) in paragraphs (1), (2), and (4), by  
2 striking “nonprofit” each place it appears; and

3 (B) in paragraph (1)—

4 (i) in the second sentence—

5 (I) in subparagraph (C), by strik-  
6 ing “and” at the end; and

7 (II) by striking the period and  
8 inserting “, and (E) developing long-  
9 term plans for addressing health pro-  
10 fessional shortages and improving ac-  
11 cess to health care.”; and

12 (ii) by adding at the end the fol-  
13 lowing: “The Secretary shall encourage en-  
14 tities that receive technical assistance  
15 under this paragraph to communicate with  
16 other communities, State Offices of Rural  
17 Health, State Primary Care Associations  
18 and Offices, and other entities concerned  
19 with site development and community  
20 needs assessment.”.

21 **SEC. 304. PRIORITIES IN ASSIGNMENT OF CORPS PER-**  
22 **SONNEL.**

23 Section 333A of the Public Health Service Act (42  
24 U.S.C. 254f–1) is amended—



1           (1) in subsection (a)(1)(A), by striking “, as de-  
2           termined in accordance with subsection (b)”;

3           (2) by striking subsection (b);

4           (3) in subsection (c), by striking the second  
5           sentence;

6           (4) in subsection (d)—

7                 (A) by redesignating paragraphs (1)  
8                 through (3) as paragraphs (2) through (4), re-  
9                 spectively;

10                (B) by inserting before paragraph (2) (as  
11                redesignated by subparagraph (A)) the fol-  
12                lowing:

13                “(1) PROPOSED LIST.—The Secretary shall pre-  
14                pare and publish a proposed list of health profes-  
15                sional shortage areas and entities that would receive  
16                priority under subsection (a)(1) in the assignment of  
17                Corps members. The list shall contain the informa-  
18                tion described in paragraph (2), and the relative  
19                scores and relative priorities of the entities submit-  
20                ting applications under section 333, in a proposed  
21                format. All such entities shall have 30 days after the  
22                date of publication of the list to provide additional  
23                data and information in support of inclusion on the  
24                list or in support of a higher priority determination  
25                and the Secretary shall reasonably consider such

1 data and information in preparing the final list  
2 under paragraph (2).”;

3 (C) in paragraph (2) (as redesignated by  
4 subparagraph (A)), in the matter before sub-  
5 paragraph (A)—

6 (i) by striking “paragraph (2)” and  
7 inserting “paragraph (3)”;

8 (ii) by striking “prepare a list of  
9 health professional shortage areas” and in-  
10 serting “prepare and, as appropriate, up-  
11 date a list of health professional shortage  
12 areas and entities”; and

13 (iii) by striking “for the period appli-  
14 cable under subsection (f)”;

15 (D) by striking paragraph (3) (as redesign-  
16 ated by subparagraph (A)) and inserting the  
17 following:

18 “(3) NOTIFICATION OF AFFECTED PARTIES.—

19 “(A) ENTITIES.—Not later than 30 days  
20 after the Secretary has added to a list under  
21 paragraph (2) an entity specified as described  
22 in subparagraph (A) of such paragraph, the  
23 Secretary shall notify such entity that the entity  
24 has been provided an authorization to receive  
25 assignments of Corps members in the event

1           that Corps members are available for the as-  
2           signments.

3           “(B) INDIVIDUALS.—In the case of an in-  
4           dividual obligated to provide service under the  
5           Scholarship Program, not later than 3 months  
6           before the date described in section 338C(b)(5),  
7           the Secretary shall provide to such individual  
8           the names of each of the entities specified as  
9           described in paragraph (2)(B)(i) that is appro-  
10          priate for the individual’s medical specialty and  
11          discipline.”; and

12          (E) by striking paragraph (4) (as redesign-  
13          ated by subparagraph (A)) and inserting the  
14          following:

15          “(4) REVISIONS.—If the Secretary proposes to  
16          make a revision in the list under paragraph (2), and  
17          the revision would adversely alter the status of an  
18          entity with respect to the list, the Secretary shall no-  
19          tify the entity of the revision. Any entity adversely  
20          affected by such a revision shall be notified in writ-  
21          ing by the Secretary of the reasons for the revision  
22          and shall have 30 days to file a written appeal of the  
23          determination involved which shall be reasonably  
24          considered by the Secretary before the revision to  
25          the list becomes final. The revision to the list shall

1 be effective with respect to assignment of Corps  
2 members beginning on the date that the revision be-  
3 comes final.”;

4 (5) by striking subsection (e) and inserting the  
5 following:

6 “(e) LIMITATION ON NUMBER OF ENTITIES OF-  
7 FERED AS ASSIGNMENT CHOICES IN SCHOLARSHIP PRO-  
8 GRAM.—

9 “(1) DETERMINATION OF AVAILABLE CORPS  
10 MEMBERS.—By April 1 of each calendar year, the  
11 Secretary shall determine the number of participants  
12 in the Scholarship Program who will be available for  
13 assignments under section 333 during the program  
14 year beginning on July 1 of that calendar year.

15 “(2) DETERMINATION OF NUMBER OF ENTI-  
16 TIES.—At all times during a program year, the  
17 number of entities specified under subsection  
18 (c)(2)(B)(i) shall be—

19 “(A) not less than the number of partici-  
20 pants determined with respect to that program  
21 year under paragraph (1); and

22 “(B) not greater than twice the number of  
23 participants determined with respect to that  
24 program year under paragraph (1).”;

25 (6) by striking subsection (f); and

1 (7) by redesignating subsections (c), (d), and  
2 (e) as subsections (b), (c), and (d) respectively.

3 **SEC. 305. COST-SHARING.**

4 Subpart II of part D of title III of the Public Health  
5 Service Act (42 U.S.C. 254d et seq.) is amended by strik-  
6 ing section 334 and inserting the following:

7 **“SEC. 334. CHARGES FOR SERVICES BY ENTITIES USING**  
8 **CORPS MEMBERS.**

9 “(a) AVAILABILITY OF SERVICES REGARDLESS OF  
10 ABILITY TO PAY OR PAYMENT SOURCE.—An entity to  
11 which a Corps member is assigned shall not deny re-  
12 quested health care services, and shall not discriminate in  
13 the provision of services to an individual—

14 “(1) because the individual is unable to pay for  
15 the services; or

16 “(2) because payment for the services would be  
17 made under—

18 “(A) the medicare program under title  
19 XVIII of the Social Security Act (42 U.S.C.  
20 1395 et seq.);

21 “(B) the medicaid program under title  
22 XIX of such Act (42 U.S.C. 1396 et seq.); or

23 “(C) the State children’s health insurance  
24 program under title XXI of such Act (42  
25 U.S.C. 1397aa et seq.).

1       “(b) CHARGES FOR SERVICES.—The following rules  
2 shall apply to charges for health care services provided by  
3 an entity to which a Corps member is assigned:

4           “(1) IN GENERAL.—

5               “(A) SCHEDULE OF FEES OR PAY-  
6 MENTS.—Except as provided in paragraph (2),  
7 the entity shall prepare a schedule of fees or  
8 payments for the entity’s services, consistent  
9 with locally prevailing rates or charges and de-  
10 signed to cover the entity’s reasonable cost of  
11 operation.

12           “(B) SCHEDULE OF DISCOUNTS.—Except  
13 as provided in paragraph (2), the entity shall  
14 prepare a corresponding schedule of discounts  
15 (including, in appropriate cases, waivers) to be  
16 applied to such fees or payments. In preparing  
17 the schedule, the entity shall adjust the dis-  
18 counts on the basis of a patient’s ability to pay.

19           “(C) USE OF SCHEDULES.—The entity  
20 shall make every reasonable effort to secure  
21 from patients fees and payments for services in  
22 accordance with such schedules, and fees or  
23 payments shall be sufficiently discounted in ac-  
24 cordance with the schedule described in sub-  
25 paragraph (B).

1           “(2) SERVICES TO BENEFICIARIES OF FEDERAL  
2           AND FEDERALLY ASSISTED PROGRAMS.—In the case  
3           of health care services furnished to an individual  
4           who is a beneficiary of a program listed in sub-  
5           section (a)(2), the entity—

6                   “(A) shall accept an assignment pursuant  
7                   to section 1842(b)(3)(B)(ii) of the Social Secu-  
8                   rity Act (42 U.S.C. 1395u(b)(3)(B)(ii)) with re-  
9                   spect to an individual who is a beneficiary  
10                  under the medicare program; and

11                  “(B) shall enter into an appropriate agree-  
12                  ment with—

13                   “(i) the State agency administering  
14                   the program under title XIX of such Act  
15                   with respect to an individual who is a ben-  
16                   eficiary under the medicaid program; and

17                   “(ii) the State agency administering  
18                   the program under title XXI of such Act  
19                   with respect to an individual who is a ben-  
20                   eficiary under the State children’s health  
21                   insurance program.

22           “(3) COLLECTION OF PAYMENTS.—The entity  
23           shall take reasonable and appropriate steps to collect  
24           all payments due for health care services provided by  
25           the entity, including payments from any third party

1 (including a Federal, State, or local government  
2 agency and any other third party) that is responsible  
3 for part or all of the charge for such services.”.

4 **SEC. 306. ELIGIBILITY FOR FEDERAL FUNDS.**

5 Section 335(e)(1)(B) of the Public Health Service  
6 Act (42 U.S.C. 254h(e)(1)(B)) is amended by striking  
7 “XVIII or XIX” and inserting “XVIII, XIX, or XXI”.

8 **SEC. 307. FACILITATION OF EFFECTIVE PROVISION OF**  
9 **CORPS SERVICES.**

10 (a) **HEALTH PROFESSIONAL SHORTAGE AREAS.**—  
11 Section 336 of the Public Health Service Act (42 U.S.C.  
12 254h–1) is amended—

13 (1) in subsection (c), by striking “health man-  
14 power” and inserting “health professional”; and

15 (2) in subsection (f)(1), by striking “health  
16 manpower” and inserting “health professional”.

17 (b) **TECHNICAL AMENDMENT.**—Section 336A(8) of  
18 the Public Health Service Act (42 U.S.C. 254i(8)) is  
19 amended by striking “agreements under”.

20 **SEC. 308. AUTHORIZATION OF APPROPRIATIONS.**

21 Section 338(a) of the Public Health Service Act (42  
22 U.S.C. 254k(a)) is amended—

23 (1) by striking “(1) For” and inserting “For”;

24 (2) by striking “1991 through 2000” and in-  
25 serting “2002 through 2006”; and



1 (3) by striking paragraph (2).

2 **SEC. 309. NATIONAL HEALTH SERVICE CORPS SCHOLAR-**  
3 **SHIP PROGRAM.**

4 Section 338A of the Public Health Service Act (42  
5 U.S.C. 254l) is amended—

6 (1) in subsection (a)(1), by inserting “behav-  
7 ioral and mental health professionals,” after “den-  
8 tists,”;

9 (2) in subsection (b)(1)(B), by inserting “, or  
10 an appropriate degree from a graduate program of  
11 behavioral and mental health” after “other health  
12 profession”;

13 (3) in subsection (c)(1)—

14 (A) in subparagraph (A), by striking  
15 “338D” and inserting “338E”; and

16 (B) in subparagraph (B), by striking  
17 “338C” and inserting “338D”;

18 (4) in subsection (d)(1)—

19 (A) in subparagraph (A), by striking  
20 “and” at the end;

21 (B) by redesignating subparagraph (B) as  
22 subparagraph (C); and

23 (C) by inserting after subparagraph (A)  
24 the following:

1           “(B) the Secretary, in considering applica-  
2           tions from individuals accepted for enrollment  
3           or enrolled in dental school, shall consider ap-  
4           plications from all individuals accepted for en-  
5           rollment or enrolled in any accredited dental  
6           school in a State; and”;

7           (5) in subsection (f)—

8           (A) in paragraph (1)(B)—

9           (i) in clause (iii), by striking “and”  
10          after the semicolon;

11          (ii) by redesignating clause (iv) as  
12          clause (v); and

13          (iii) by inserting after clause (iii) the  
14          following new clause:

15               “(iv) if pursuing a degree from a  
16               school of medicine or osteopathic medicine,  
17               to complete a residency in a specialty that  
18               the Secretary determines is consistent with  
19               the needs of the Corps; and”; and

20          (B) in paragraph (3), by striking “338D”  
21          and inserting “338E”; and

22          (6) by striking subsection (i).

1 **SEC. 310. NATIONAL HEALTH SERVICE CORPS LOAN REPAY-**  
2 **MENT PROGRAM.**

3 Section 338B of the Public Health Service Act (42  
4 U.S.C. 254l–1) is amended—

5 (1) in subsection (a)—

6 (A) in paragraph (1), by inserting “behav-  
7 ioral and mental health professionals,” after  
8 “dentists,”; and

9 (B) in paragraph (2), by striking “(includ-  
10 ing mental health professionals)”;

11 (2) in subsection (b)(1), by striking subpara-  
12 graph (A) and inserting the following:

13 “(A) have a degree in medicine, osteopathic  
14 medicine, dentistry, or another health profession, or  
15 an appropriate degree from a graduate program of  
16 behavioral and mental health, or be certified as a  
17 nurse midwife, nurse practitioner, or physician as-  
18 sistant;”;

19 (3) in subsection (e), by striking “(1) IN GEN-  
20 ERAL.—”; and

21 (4) by striking subsection (i).

22 **SEC. 311. OBLIGATED SERVICE.**

23 Section 338C of the Public Health Service Act (42  
24 U.S.C. 254m) is amended—

25 (1) in subsection (b)—

1 (A) in paragraph (1), in the matter pre-  
2 ceding subparagraph (A), by striking “section  
3 338A(f)(1)(B)(iv)” and inserting “section  
4 338A(f)(1)(B)(v)”; and

5 (B) in paragraph (5)—

6 (i) by striking all that precedes sub-  
7 paragraph (C) and inserting the following:

8 “(5)(A) In the case of the Scholarship Program, the  
9 date referred to in paragraphs (1) through (4) shall be  
10 the date on which the individual completes the training  
11 required for the degree for which the individual receives  
12 the scholarship, except that—

13 “(i) for an individual receiving such a degree  
14 after September 30, 2000, from a school of medicine  
15 or osteopathic medicine, such date shall be the date  
16 the individual completes a residency in a specialty  
17 that the Secretary determines is consistent with the  
18 needs of the Corps; and

19 “(ii) at the request of an individual, the Sec-  
20 retary may, consistent with the needs of the Corps,  
21 defer such date until the end of a period of time re-  
22 quired for the individual to complete advanced train-  
23 ing (including an internship or residency).”;

24 (ii) by striking subparagraph (D);

1 (iii) by redesignating subparagraphs  
 2 (C) and (E) as subparagraphs (B) and  
 3 (C), respectively; and  
 4 (iv) in clause (i) of subparagraph (C)  
 5 (as redesignated by clause (iii)) by striking  
 6 “subparagraph (A), (B), or (D)” and in-  
 7 serting “subparagraph (A)”; and  
 8 (2) by striking subsection (e).

9 **SEC. 312. PRIVATE PRACTICE.**

10 Section 338D of the Public Health Service Act (42  
 11 U.S.C. 254n) is amended by striking subsection (b) and  
 12 inserting the following:

13 “(b)(1) The written agreement described in sub-  
 14 section (a) shall—

15 “(A) provide that, during the period of private  
 16 practice by an individual pursuant to the agreement,  
 17 the individual shall comply with the requirements of  
 18 section 334 that apply to entities; and

19 “(B) contain such additional provisions as the  
 20 Secretary may require to carry out the objectives of  
 21 this section.

22 “(2) The Secretary shall take such action as may be  
 23 appropriate to ensure that the conditions of the written  
 24 agreement prescribed by this subsection are adhered to.”.

1 **SEC. 313. BREACH OF SCHOLARSHIP CONTRACT OR LOAN**  
2 **REPAYMENT CONTRACT.**

3 (a) IN GENERAL.—Section 338E of the Public  
4 Health Service Act (42 U.S.C. 254o) is amended—

5 (1) in subsection (a)(1)—

6 (A) in subparagraph (A), by striking the  
7 comma and inserting a semicolon;

8 (B) in subparagraph (B), by striking the  
9 comma and inserting “; or”;

10 (C) in subparagraph (C), by striking “or”  
11 at the end; and

12 (D) by striking subparagraph (D);

13 (2) in subsection (b)—

14 (A) in paragraph (1)(A)—

15 (i) by striking “338F(d)” and insert-  
16 ing “338G(d)”;

17 (ii) by striking “either”;

18 (iii) by striking “338D or” and insert-  
19 ing “338D,”; and

20 (iv) by inserting “or to complete a re-  
21 quired residency as specified in section  
22 338A(f)(1)(B)(iv),” before “the United  
23 States”; and

24 (B) by adding at the end the following new  
25 paragraph:

1       “(3) The Secretary may terminate a contract with an  
2 individual under section 338A if, not later than 30 days  
3 before the end of the school year to which the contract  
4 pertains, the individual—

5               “(A) submits a written request for such termi-  
6 nation; and

7               “(B) repays all amounts paid to, or on behalf  
8 of, the individual under section 338A(g).”;

9               (3) in subsection (c)—

10                       (A) in paragraph (1)—

11                               (i) in the matter preceding subpara-  
12 graph (A), by striking “338F(d)” and in-  
13 serting “338G(d)”; and

14                               (ii) by striking subparagraphs (A)  
15 through (C) and inserting the following:

16               “(A) the total of the amounts paid by the  
17 United States under section 338B(g) on behalf of  
18 the individual for any period of obligated service not  
19 served;

20               “(B) an amount equal to the product of the  
21 number of months of obligated service that were not  
22 completed by the individual, multiplied by \$7,500;  
23 and

24               “(C) the interest on the amounts described in  
25 subparagraphs (A) and (B), at the maximum legal

1 prevailing rate, as determined by the Treasurer of  
2 the United States, from the date of the breach;  
3 except that the amount the United States is entitled to  
4 recover under this paragraph shall not be less than  
5 \$31,000.”;

6 (B) by striking paragraphs (2) and (3) and  
7 inserting the following:

8 “(2) The Secretary may terminate a contract with an  
9 individual under section 338B if, not later than 45 days  
10 before the end of the fiscal year in which the contract was  
11 entered into, the individual—

12 “(A) submits a written request for such termi-  
13 nation; and

14 “(B) repays all amounts paid on behalf of the  
15 individual under section 338B(g).”; and

16 (C) by redesignating paragraph (4) as  
17 paragraph (3);

18 (4) in subsection (d)(3)(A), by striking “only if  
19 such discharge is granted after the expiration of the  
20 five-year period” and inserting “only if such dis-  
21 charge is granted after the expiration of the 7-year  
22 period”; and

23 (5) by adding at the end the following new sub-  
24 section:



1 “(e) Notwithstanding any other provision of Federal  
2 or State law, there shall be no limitation on the period  
3 within which suit may be filed, a judgment may be en-  
4 forced, or an action relating to an offset or garnishment,  
5 or other action, may be initiated or taken by the Secretary,  
6 the Attorney General, or the head of another Federal  
7 agency, as the case may be, for the repayment of the  
8 amount due from an individual under this section.”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 subsection (a)(4) shall apply to any obligation for which  
11 a discharge in bankruptcy has not been granted before the  
12 date that is 31 days after the date of enactment of this  
13 Act.

14 **SEC. 314. AUTHORIZATION OF APPROPRIATIONS.**

15 Section 338H of the Public Health Service Act (42  
16 U.S.C. 254q) is amended to read as follows:

17 **“SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.**

18 “(a) AUTHORIZATION OF APPROPRIATIONS.—For the  
19 purposes of carrying out this subpart, there are authorized  
20 to be appropriated \$146,250,000 for fiscal year 2002, and  
21 such sums as may be necessary for each of fiscal years  
22 2003 through 2006.

23 “(b) SCHOLARSHIPS AND LOAN REPAYMENTS.—  
24 With respect to certification as a nurse practitioner, nurse  
25 midwife, or physician assistant, the Secretary shall, from

1 amounts appropriated under subsection (a) for a fiscal  
2 year, obligate not less than a total of 10 percent for con-  
3 tracts for both scholarships under the Scholarship Pro-  
4 gram under section 338A and loan repayments under the  
5 Loan Repayment Program under section 338B to individ-  
6 uals who are entering the first year of a course of study  
7 or program described in section 338A(b)(1)(B) that leads  
8 to such a certification or individuals who are eligible for  
9 the loan repayment program as specified in section  
10 338B(b) for a loan related to such certification.”.

11 **SEC. 315. GRANTS TO STATES FOR LOAN REPAYMENT PRO-**  
12 **GRAMS.**

13 Section 338I of the Public Health Service Act (42  
14 U.S.C. 254q-1) is amended—

15 (1) in subsection (a), by striking paragraph (1)  
16 and inserting the following:

17 “(1) **AUTHORITY FOR GRANTS.**—The Secretary,  
18 acting through the Administrator of the Health Re-  
19 sources and Services Administration, may make  
20 grants to States for the purpose of assisting the  
21 States in operating programs described in paragraph  
22 (2) in order to provide for the increased availability  
23 of primary health care services in health professional  
24 shortage areas. The National Advisory Council es-

1       tablished under section 337 shall advise the Admin-  
2       istrator regarding the program under this section.”;

3               (2) in subsection (e), by striking paragraph (1)  
4       and inserting the following:

5               “(1) to submit to the Secretary such reports re-  
6       garding the States loan repayment program, as are  
7       determined to be appropriate by the Secretary; and”;  
8       and

9               (3) in subsection (i), by striking paragraph (1)  
10      and inserting the following:

11              “(1) IN GENERAL.—For the purpose of making  
12      grants under subsection (a), there are authorized to  
13      be appropriated \$12,000,000 for fiscal year 2002  
14      and such sums as may be necessary for each of fis-  
15      cal years 2003 through 2006.”.

16 **SEC. 316. DEMONSTRATION GRANTS TO STATES FOR COM-**  
17 **MUNITY SCHOLARSHIP PROGRAMS.**

18      Section 338L of the Public Health Service Act (42  
19      U.S.C. 254t) is repealed.

**TITLE IV—ADDITIONAL  
PROVISIONS**

**SEC. 401. COMMUNITY ACCESS DEMONSTRATION PRO-  
GRAM.**

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by inserting after subpart IV the following new subpart:

“Subpart V—Community Access Demonstration Program

**“SEC. 340. GRANTS TO STRENGTHEN EFFECTIVENESS, EFFI-  
CIENCY, AND COORDINATION OF SERVICES  
FOR THE UNINSURED AND UNDERINSURED.**

“(a) IN GENERAL.—

“(1) GRANTS.—The Secretary may make not more than 35 grants for the purpose of carrying out demonstration projects to improve the effectiveness, efficiency, and coordination of services for uninsured and underinsured individuals.

“(2) PROJECT PERIOD.—A demonstration project under this section may not receive funding under this section for more than three fiscal years.

“(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity must—

“(1) be an entity that is a public or private entity such as—

1           “(A) a Federally qualified health center  
2           (as defined under section 1861(aa)(4) of the  
3           Social Security Act);

4           “(B) a hospital that meets the require-  
5           ments of section 340B(a)(4)(L) (or, if none are  
6           available in the area, a hospital that is a pro-  
7           vider of a substantial volume of non-emergency  
8           health services to uninsured individuals and  
9           families without regard to their ability to pay)  
10          without regard to 340B (a)(4)(L)(iii); or

11          “(C) a public health department; or

12          “(2) represent a consortium of providers and,  
13          as appropriate, related agencies or entities—

14               “(A) whose principal purpose is to provide  
15               a broad range of coordinated health care serv-  
16               ices in a geographic area defined in the entity’s  
17               grant application;

18               “(B) that includes health care providers  
19               that serve such geographic area and that have  
20               traditionally provided care (beyond emergency  
21               services) to uninsured and underinsured individ-  
22               uals without regard to the individuals’ ability to  
23               pay; and

1                   “(C) that may include other health care  
2                   providers and related agencies and organiza-  
3                   tions;

4 except that preference may be given to applicants that are  
5 health care providers identified in paragraph (1).

6           “(c) APPLICATIONS.—To be eligible to receive a grant  
7 under this section, an eligible entity shall submit to the  
8 Secretary an application, in such form and manner as the  
9 Secretary shall prescribe, that shall—

10           “(1) define a geographic area of uninsured and  
11           underinsured individuals;

12           “(2) identify the providers who will participate  
13 in the consortium’s program under the grant, and  
14 specify each one’s contribution to the care of unin-  
15 sured and underinsured individuals in such geo-  
16 graphic area, including the volume of care it pro-  
17 vides to medicare and medicaid beneficiaries, to indi-  
18 viduals served by the program under title XXI of the  
19 Social Security Act (relating to SCHIP), and to pri-  
20 vately paid patients;

21           “(3) describe the activities that the applicant  
22 and the consortium propose to perform under the  
23 grant to further the purposes of this section;

24           “(4) demonstrate the consortium’s ability to  
25 build on the current system for serving uninsured

1 and underinsured individuals by involving providers  
2 who have traditionally provided a significant volume  
3 of care for that community;

4 “(5) demonstrate the consortium’s ability to de-  
5 velop coordinated systems of care that either directly  
6 provide or ensure the prompt provision of a broad  
7 range of high-quality, accessible services, including,  
8 as appropriate, primary, secondary, and tertiary  
9 services, as well as substance abuse treatment and  
10 mental health services in a manner which assures  
11 continuity of care in the community;

12 “(6) provide evidence of community involvement  
13 in the development, implementation, and direction of  
14 the program that it proposes to operate;

15 “(7) demonstrate the consortium’s ability to en-  
16 sure that individuals participating in the program  
17 are enrolled in public insurance programs for which  
18 they are eligible (or know of private insurance op-  
19 tions available to them, if any);

20 “(8) present a plan for leveraging other sources  
21 of revenue, which may include State and local  
22 sources and private grant funds, and integrating  
23 current and proposed new funding sources in a way  
24 to assure long-term sustainability;

1           “(9) describe a plan for evaluation of the activi-  
2           ties carried out under the grant, including measure-  
3           ment of progress toward the goals and objectives of  
4           the program;

5           “(10) demonstrate fiscal responsibility through  
6           the use of appropriate accounting procedures and  
7           appropriate management systems;

8           “(11) include such other information as the  
9           Secretary may prescribe; and

10          “(12) demonstrate the commitment to serve in-  
11          dividuals in the geographic area without regard to  
12          the ability of the individual or family to pay by ar-  
13          ranging for or providing free or reduced charge care  
14          for the poor.

15          “(d) PRIORITIES.—In awarding grants under this  
16          section, the Secretary may accord priority to applicants—

17               “(1) whose consortium includes public hospitals,  
18          Federally qualified health centers (as defined in sec-  
19          tion 1905(l)(2)(B) of the Social Security Act), and  
20          other providers that are covered entities as defined  
21          by section 340B(a)(4) of this Act (or that would be  
22          covered entities as so defined but for subparagraph  
23          (L)(iii) of such section);



1           “(2) that identify a geographic area has a high  
2           or increasing percentage of individuals who are unin-  
3           sured;

4           “(3) whose consortium includes other health  
5           care providers that have a tradition of serving unin-  
6           sured individuals and underinsured individuals in  
7           the community;

8           “(4) who show evidence that the program would  
9           expand utilization of preventive and primary care  
10          services for uninsured and underinsured individuals  
11          and families in the community, including mental  
12          health services or substance abuse services;

13          “(5) whose proposed program would improve  
14          coordination between health care providers and ap-  
15          propriate social service providers, including local and  
16          regional human services agencies, school systems,  
17          and agencies on aging;

18          “(6) that demonstrate collaboration with State  
19          and local governments;

20          “(7) that make use of non-Federal contribu-  
21          tions to the greatest extent possible; or

22          “(8) that demonstrate a significant likelihood  
23          that the proposed program will continue after sup-  
24          port under this section ceases.

25          “(e) USE OF FUNDS.—

1 “(1) USE BY GRANTEES.—

2 “(A) IN GENERAL.—Except as provided in  
3 paragraphs (2) and (3), a grantee may use  
4 amounts provided under this section only for—

5 “(i) direct expenses associated with  
6 operating the greater integration of a  
7 health care delivery system so that it either  
8 directly provides or ensures the provision  
9 of a broad range of services, as appro-  
10 priate, including primary, secondary, and  
11 tertiary services, as well as substance  
12 abuse treatment and mental health serv-  
13 ices; and

14 “(ii) direct patient care and service  
15 expansions to fill identified or documented  
16 gaps within an integrated delivery system.

17 “(B) SPECIFIC USES.—The following are  
18 examples of purposes for which a grantee may  
19 use grant funds, when such use meets the con-  
20 ditions stated in subparagraph (A):

21 “(i) Increase in outreach activities.

22 “(ii) Improvements to case manage-  
23 ment.

24 “(iii) Development of provider net-  
25 works.

1                   “(iv) Recruitment, training, and com-  
2                   pensation of necessary personnel.

3                   “(v) Acquisition of technology for the  
4                   purpose of coordinating health care.

5                   “(vi) Identifying and closing gaps in  
6                   health care services being provided.

7                   “(vii) Improvements to provider com-  
8                   munication, including implementation of  
9                   shared information systems or shared clin-  
10                  ical systems.

11                  “(viii) Other activities that may be  
12                  appropriate to a community that would in-  
13                  crease access to the uninsured.

14                  “(2) RESERVATION OF FUNDS FOR NATIONAL  
15                  PROGRAM PURPOSES.—The Secretary may use not  
16                  more than 3 percent of funds appropriated to carry  
17                  out this section for technical assistance to grantees,  
18                  obtaining assistance of experts and consultants,  
19                  meetings, dissemination of information, evaluation,  
20                  and activities that will extend the benefits of funded  
21                  programs to communities other than the one funded.

22                  “(f) MAINTENANCE OF EFFORT.—With respect to  
23                  activities for which a grant under this section is author-  
24                  ized, the Secretary may award such a grant only if the  
25                  recipient of the grant and each of the participating pro-

1 viders agree that each one will maintain its expenditures  
2 of non-Federal funds for such activities at a level that is  
3 not less than the level of such expenditures during the year  
4 immediately preceding the fiscal year for which the appli-  
5 cant is applying to receive such grant.

6 “(g) REPORTS TO THE SECRETARY.—The recipient  
7 of a grant under this section shall report to the Secretary  
8 annually regarding—

9 “(1) progress in meeting the goals stated in its  
10 grant application; and

11 “(2) such additional information as the Sec-  
12 retary may require.

13 The Secretary may not renew an annual grant under this  
14 section unless the Secretary is satisfied that the consor-  
15 tium has made reasonable and demonstrable progress in  
16 meeting the goals set forth in its grant application for the  
17 preceding year.

18 “(h) AUDITS.—Each entity which receives a grant  
19 under this section shall provide for an independent annual  
20 financial audit of all records that relate to the disposition  
21 of funds received through this grant.

22 “(i) TECHNICAL ASSISTANCE.—The Secretary may,  
23 either directly or by grant or contract, provide any funded  
24 entity with technical and other non-financial assistance  
25 necessary to meet the requirements of this section.

1       “(j) REPORT.—Not later than September 30, 2005,  
 2 the Secretary shall submit to the Congress a report de-  
 3 scribing the extent to which demonstration projects under  
 4 this section have been successful in improving the effec-  
 5 tiveness, efficiency, and coordination of services for unin-  
 6 sured and underinsured individuals in the geographic  
 7 areas served by such projects, including providing better  
 8 quality health care for such individuals, and at lower costs,  
 9 than would have been the case in the absence of such  
 10 projects.

11       “(k) AUTHORIZATION OF APPROPRIATIONS.—For the  
 12 purpose of carrying out this section, there are authorized  
 13 to be appropriated \$40,000,000 for fiscal year 2002, and  
 14 such sums as may be necessary for each of fiscal years  
 15 2003 through 2006.”.

16 **SEC. 402. EXPANDING AVAILABILITY OF DENTAL SERVICES.**

17       Part D of title III of the Public Health Service Act  
 18 (42 U.S.C. 254b et seq.) is amended by adding at the end  
 19 the following:

20               **“Subpart X—Primary Dental Programs**

21       **“SEC. 340F. DESIGNATED DENTAL HEALTH PROFESSIONAL**  
 22               **SHORTAGE AREA.**

23       “‘In this subpart, the term ‘designated dental health  
 24 professional shortage area’ means an area, population  
 25 group, or facility that is designated by the Secretary as

1 a dental health professional shortage area under section  
2 332 or designated by the applicable State as having a den-  
3 tal health professional shortage.

4 **“SEC. 340G. GRANTS FOR INNOVATIVE PROGRAMS.**

5       “(a) GRANT PROGRAM AUTHORIZED.—The Sec-  
6 retary, acting through the Administrator of the Health  
7 Resources and Services Administration, is authorized to  
8 award grants to States for the purpose of helping States  
9 develop and implement innovative programs to address the  
10 dental workforce needs of designated dental health profes-  
11 sional shortage areas in a manner that is appropriate to  
12 the States’ individual needs.

13       “(b) STATE ACTIVITIES.—A State receiving a grant  
14 under subsection (a) may use funds received under the  
15 grant for—

16               “(1) loan forgiveness and repayment programs  
17       for dentists who—

18                       “(A) agree to practice in designated dental  
19       health professional shortage areas;

20                       “(B) are dental school graduates who  
21       agree to serve as public health dentists for the  
22       Federal, State, or local government; and

23                       “(C) agree to—

1                   “(i) provide services to patients re-  
2                   gardless of such patients’ ability to pay;  
3                   and

4                   “(ii) use a sliding payment scale for  
5                   patients who are unable to pay the total  
6                   cost of services;

7                   “(2) dental recruitment and retention efforts;

8                   “(3) grants and low-interest or no-interest loans  
9                   to help dentists who participate in the medicaid pro-  
10                  gram under title XIX of the Social Security Act (42  
11                  U.S.C. 1396 et seq.) to establish or expand practices  
12                  in designated dental health professional shortage  
13                  areas by equipping dental offices or sharing in the  
14                  overhead costs of such practices;

15                  “(4) the establishment or expansion of dental  
16                  residency programs in coordination with accredited  
17                  dental training institutions in States without dental  
18                  schools;

19                  “(5) programs developed in consultation with  
20                  State and local dental societies to expand or estab-  
21                  lish oral health services and facilities in designated  
22                  dental health professional shortage areas, including  
23                  services and facilities for children with special needs,  
24                  such as—

1           “(A) the expansion or establishment of a  
2           community-based dental facility, free-standing  
3           dental clinic, consolidated health center dental  
4           facility, school-linked dental facility, or United  
5           States dental school-based facility;

6           “(B) the establishment of a mobile or port-  
7           able dental clinic; and

8           “(C) the establishment or expansion of pri-  
9           vate dental services to enhance capacity through  
10          additional equipment or additional hours of op-  
11          eration;

12          “(6) placement and support of dental students,  
13          dental residents, and advanced dentistry trainees;

14          “(7) continuing dental education, including dis-  
15          tance-based education;

16          “(8) practice support through teledentistry con-  
17          ducted in accordance with State laws;

18          “(9) community-based prevention services such  
19          as water fluoridation and dental sealant programs;

20          “(10) coordination with local educational agen-  
21          cies within the State to foster programs that pro-  
22          mote children going into oral health or science pro-  
23          fessions;

24          “(11) the establishment of faculty recruitment  
25          programs at accredited dental training institutions



1       whose mission includes community outreach and  
2       service and that have a demonstrated record of serv-  
3       ing underserved States;

4               “(12) the development of a State dental officer  
5       position or the augmentation of a State dental office  
6       to coordinate oral health and access issues in the  
7       State; and

8               “(13) any other activities determined to be ap-  
9       propriate by the Secretary.

10       “(c) APPLICATION.—

11               “(1) IN GENERAL.—Each State desiring a  
12       grant under this section shall submit an application  
13       to the Secretary at such time, in such manner, and  
14       containing such information as the Secretary may  
15       reasonably require.

16               “(2) ASSURANCES.—The application shall in-  
17       clude assurances that the State will meet the re-  
18       quirements of subsection (d) and that the State pos-  
19       sesses sufficient infrastructure to manage the activi-  
20       ties to be funded through the grant and to evaluate  
21       and report on the outcomes resulting from such ac-  
22       tivities.

23               “(d) MATCHING REQUIREMENT.—The Secretary may  
24       not make a grant to a State under this section unless that  
25       State agrees that, with respect to the costs to be incurred

1 by the State in carrying out the activities for which the  
2 grant was awarded, the State will provide non-Federal  
3 contributions in an amount equal to not less than 40 per-  
4 cent of Federal funds provided under the grant. The State  
5 may provide the contributions in cash or in kind, fairly  
6 evaluated, including plant, equipment, and services and  
7 may provide the contributions from State, local, or private  
8 sources.

9 “(e) REPORT.—Not later than 5 years after the date  
10 of enactment of the Health Care Safety Net Improvement  
11 Act, the Secretary shall prepare and submit to the appro-  
12 priate committees of Congress a report containing data  
13 relating to whether grants provided under this section  
14 have increased access to dental services in designated den-  
15 tal health professional shortage areas.

16 “(f) AUTHORIZATION OF APPROPRIATIONS.—There  
17 is authorized to be appropriated to carry out this section,  
18 \$50,000,000 for the 5-fiscal year period beginning with  
19 fiscal year 2002.”.

20 **SEC. 403. STUDY REGARDING BARRIERS TO PARTICIPA-**  
21 **TION OF FARMWORKERS IN HEALTH PRO-**  
22 **GRAMS.**

23 (a) IN GENERAL.—The Secretary shall conduct a  
24 study of the problems experienced by farmworkers (includ-

1 ing their families) under Medicaid and SCHIP. Specifi-  
2 cally, the Secretary shall examine the following:

3 (1) BARRIERS TO ENROLLMENT.—Barriers to  
4 their enrollment, including a lack of outreach and  
5 outstationed eligibility workers, complicated applica-  
6 tions and eligibility determination procedures, and  
7 linguistic and cultural barriers.

8 (2) LACK OF PORTABILITY.—The lack of port-  
9 ability of Medicaid and SCHIP coverage for farm-  
10 workers who are determined eligible in one State but  
11 who move to other States on a seasonal or other  
12 periodic basis.

13 (3) POSSIBLE SOLUTIONS.—The development of  
14 possible solutions to increase enrollment and access  
15 to benefits for farmworkers, because, in part, of the  
16 problems identified in paragraphs (1) and (2), and  
17 the associated costs of each of the possible solution  
18 described in subsection (b).

19 (b) POSSIBLE SOLUTIONS.—Possible solutions to be  
20 examined shall include each of the following:

21 (1) INTERSTATE COMPACTS.—The use of inter-  
22 state compacts among States that establish port-  
23 ability and reciprocity for eligibility for farmworkers  
24 under the Medicaid and SCHIP and potential finan-

1        cial incentives for States to enter into such com-  
2        pacts.

3            (2) DEMONSTRATION PROJECTS.—The use of  
4        multi-state demonstration waiver projects under sec-  
5        tion 1115 of the Social Security Act (42 U.S.C.  
6        1315) to develop comprehensive migrant coverage  
7        demonstration projects.

8            (3) USE OF CURRENT LAW FLEXIBILITY.—Use  
9        of current law Medicaid and SCHIP State plan pro-  
10       visions relating to coverage of residents and out-of-  
11       State coverage.

12           (4) NATIONAL MIGRANT FAMILY COVERAGE.—  
13       The development of programs of national migrant  
14       family coverage in which States could participate.

15           (5) PUBLIC-PRIVATE PARTNERSHIPS.—The pro-  
16       vision of incentives for development of public-private  
17       partnerships to develop private coverage alternatives  
18       for farmworkers.

19           (6) OTHER POSSIBLE SOLUTIONS.—Such other  
20       solutions as the Secretary deems appropriate.

21        (c) CONSULTATIONS.—In conducting the study, the  
22       Secretary shall consult with the following:

23            (1) Farmworkers affected by the lack of port-  
24       ability of coverage under the Medicaid program or  
25       the State children's health insurance program

1 (under titles XIX and XXI of the Social Security  
2 Act).

3 (2) Individuals with expertise in providing  
4 health care to farmworkers, including designees of  
5 national and local organizations representing mi-  
6 grant health centers and other providers.

7 (3) Resources with expertise in health care fi-  
8 nancing.

9 (4) Representatives of foundations and other  
10 nonprofit entities that have conducted or supported  
11 research on farmworker health care financial issues.

12 (5) Representatives of Federal agencies which  
13 are involved in the provision or financing of health  
14 care to farmworkers, including the Health Care Fi-  
15 nancing Administration and the Health Research  
16 and Services Administration.

17 (6) Representatives of State governments.

18 (7) Representatives from the farm and agricul-  
19 tural industries.

20 (8) Designees of labor organizations rep-  
21 resenting farmworkers.

22 (d) DEFINITIONS.—For purposes of this section:

23 (1) FARMWORKER.—The term “farmworker”  
24 means a migratory agricultural worker or seasonal  
25 agricultural worker, as such terms are defined in

1       section 330(g)(3) of the Public Health Service Act  
2       (42 U.S.C. 254c(g)(3)), and includes a family mem-  
3       ber of such a worker.

4           (2) MEDICAID.—The term “Medicaid” means  
5       the program under title XIX of the Social Security  
6       Act.

7           (3) SCHIP.—The term “SCHIP” means the  
8       State children’s health insurance program under  
9       title XXI of the Social Security Act.

10       (e) REPORT.—Not later than one year after the date  
11      of the enactment of this Act, the Secretary shall transmit  
12      a report to the President and the Congress on the study  
13      conducted under this section. The report shall contain a  
14      detailed statement of findings and conclusions of the  
15      study, together with its recommendations for such legisla-  
16      tion and administrative actions as the Secretary considers  
17      appropriate.

18   **SEC. 404. ELIGIBILITY OF CERTAIN ENTITIES FOR GRANTS.**

19       If under a program established in this Act (other  
20      than section 401), or if pursuant to an amendment made  
21      by this Act, a private entity that is not a nonprofit entity  
22      is eligible for an award of a grant, contract, or cooperative  
23      agreement, such an award may not be made to such pri-  
24      vate entity unless the entity is the only available provider  
25      of quality health services in the geographic area involved.

1 **SEC. 405. CONFORMING AMENDMENTS.**

2 (a) HOMELESS PROGRAMS.—Subsections  
 3 (g)(1)(G)(ii), (k)(2), and (n)(1)(C) of section 224, and  
 4 sections 317A(a)(2), 317E(c), 318A(e), 332(a)(2)(C),  
 5 340D(c)(5), 799B(6)(B), 1313, and 2652(2) of the Public  
 6 Health Service Act (42 U.S.C. 233, 247b–1(a)(2), 247b–  
 7 6(c), 247c–1(e), 254e(a)(2)(C), 256d(c)(5), 295p(6)(B),  
 8 300e–12, and 300ff–52(2)) are amended by striking  
 9 “340” and inserting “330(h)”.

10 (b) HOMELESS INDIVIDUAL.—Section 534(2) of the  
 11 Public Health Service Act (42 U.S.C. 290cc–34(2)) is  
 12 amended by striking “340(r)” and inserting “330(h)(5)”.

Passed the House of Representatives October 1,  
 2002.

Attest:

JEFF TRANDAHL,

*Clerk.*

**Calendar No. 629**

107TH CONGRESS  
2D SESSION

# **H. R. 3450**

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## **AN ACT**

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and for other purposes.

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OCTOBER 2, 2002

Received; read twice and placed on the calendar